

Ekurhuleni
METROPOLITAN MUNICIPALITY

**IDP, BUDGET
AND SDBIP**

2015/16 – 2017/18

**MEDIUM TERM REVENUE AND
EXPENDITURE FRAMEWORK**



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Ekurhuleni

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Annexure B

**BUDGET OF
EKURHULENI METROPOLITAN
MUNICIPALITY**

**2015/16 TO 2017/18
MEDIUM-TERM REVENUE AND
EXPENDITURE FORECASTS**

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Abbreviations and Acronyms

AARTO	Administrative Adjudication of Road Traffic Offences	L	Litre
AGSA	Auditor-General South Africa	LMCDP	Lungile Mtshali Community Development Project
ARS	Application Rationalisation Strategy	M&E	Monitoring and Evaluation
ASGISA	Accelerated and Shared Growth Initiative	MBRR	Municipal Budget and Reporting Regulations
BSC	Budget Steering Committee	MEC	Member of the Executive Committee
CBD	Central Business District	MFMA	Municipal Financial Management Act
CBO	Community Based Organisation	MHDP	Municipal Housing Development Plan
CBP	Community Based Projects	MIG	Municipal Infrastructure Grant
CCA	Customer Care Areas	MMC	Member of Mayoral Committee
CCC	Customer Care Centres	MOU	Memorandum of Understanding
CFO	Chief Financial Officer	MPRA	Municipal Properties Rates Act
CIF	Capital Investment Framework	MSA	Municipal Systems Act
CIPC	Companies and Intellectual Property Commission	MSDF	Metropolitan Spatial Development Framework
CITP	Comprehensive Integrated Transport Plan	MTEF	Medium-term Expenditure Framework
CM	City Manager	MTREF	Medium-term Revenue and Expenditure Framework
CODESA	Convention for a Democratic South Africa	MVRA/ DLTC	Motor Vehicle Registering Authority / Driver's Licensing Testing Centre
COO	Chief Operating Officer	NDP	National Development Plan
CPI	Consumer Price Index	NDPG	Neighbourhood Development Programme Grant
CPIX	Consumer Price Index excluding mortgage costs	NERSA	National Energy Regulator South Africa
CRM	Customer Relations Management	NGO	Non-Governmental Organisations
CSIR	Council of Scientific and Industrial Research	NKPIs	National Key Performance Indicators
DCS	Digital City Systems	NOC	Network Operation Centre
DEMS	Disaster and Emergency Management Services	NSDP	National Spatial Development Perspective
DMTN	Domestic Medium-term Note	NT	National Treasury
DORA	Division of Revenue Act	NUSP	National Upgrading Support Programme
EDC	Ekurhuleni Development Company	OHS	Occupational Health and Safety
EE	Employment Equity	OPCA	Operation Clean Audit
EIA	Environmental Impact Assessment	OPM	Organisational Performance Management

EM	Executive Mayor	PBO	Public Benefit Organisations
EMIS	Engineering Management Information System	PDI	Previously Disadvantaged Individuals
EMM	Ekurhuleni Metropolitan Municipality	PHC	Provincial Health Care
EMPD	Ekurhuleni Metro Police Department	PMO	Project Management Office
EPWP	Expanded Public Works Programme	PMS	Performance Management System
ERM	Environmental Resource Management	PPE	Property Plant and Equipment
ERP	Enterprise Resource Planning	PPI	Producer Price Index
FBE	Free basic electricity	PPP	Public Private Partnership
FBS	Free basic services	PRASA	Passenger Rail Agency of South Africa
GAMAP	Generally Accepted Municipal Accounting Practice	PSI	Public Services Infrastructure
GDP	Gross domestic product	PTIS	Public Transport Infrastructure System
GDS	Growth and Development Strategy	RFP	Request for Proposal
GFS	Government Financial Statistics	RG	Restructuring Grant
GGDS	Gauteng Growth and Development Strategy	R&M	Repair & Maintenance
GPG	Gauteng Provincial Government	RMEP	Revenue Management
GRAP	General Recognised Accounting Practice	RMTC	Road Management Traffic Corporation
HR	Human Resources	RSDF	Regional Spatial Development Framework
HSDG	Human Settlement Development Grant	SALGA	South African Local Government Association
HSDP	Human Settlement Development Plan	SAMSA	South African Maritime Safety Authority
IBALCO	IDP Budget Asset and Liability Committee	SAPS	South African Police Services
IBT	Inclining Block Tariff	SCOA	Standard Chart Of Accounts
ICT	Information Communication Technology	SDBIP	Service Delivery Budget Implementation Plan
IDP	Integrated Development Strategy	SIP	Strategic Implementation Plan
IMS	Intelligent Metering Systems	SMME	Small Micro and Medium Enterprises
INEP	Integrated National Electrification Programme	SRAC	Sports, Recreation, Arts and Culture
IR	Institutional Review	STS	Standard Transfer Specification
IRPTN	Integrated Rapid Public Transport Network	UCC	Unified Command Centre
IT	Information Technology	USDG	Urban Settlement Development Grant
KPA	Key Performance Area	VAT	Value Added Tax
KPI	Key Performance Indicator	WMS	Waste Management Services
kWh	kilowatt hour		

Part 1 – Annual Budget

1.1 Mayor's Report

The City of Ekurhuleni is turning 15 years old this year. In 2000 when we were established it was the most miraculous merger in the history of local government in the country – for it was the first time that nine disestablished towns and 11 administrations had been amalgamated.

Fourteen years down the line, we have since received our first ever clean audit – a feat that many of those metro born before and after us are yet to achieve. We are also the country and the continent's first Aerotropolis owing to being home to Africa's gateway to the world – the O.R.Tambo International Airport.

This budget is presented in the year when we celebrate the 15 years of existence. The annual budget of the City of Ekurhuleni is actually the backbone of the Clean Audit that we pride ourselves with today.

It is always our resolve as the city that as and when we table a budget we do so knowing that it is informed by the needs of our estimated 3.1 million people. Our forebears fought very hard for us to enjoy the fruits and benefits of freedom, and the budget provides us with that opportunity.

Democracy anchored around the will of the people is always a success. Over the years the City of Ekurhuleni has utilised the budget as a tool to respond to the needs of our communities raised through the Integrated Development Plan (IDP) process – a democratic process that always encourages residents to inform the municipality about their needs. This consultative process has enabled our key stakeholders to have a direct and greater influence in the development and allocation of the budget.

In the light of our ability to align our budget to the needs of the community, many Ekurhuleni residents can attest to our service delivery track record which has shown great improvement since 1994. In actual fact I have been watching an upward trend of the standard of living in Ekurhuleni over the years and I must say that a lot of change has taken place. Indeed we remain true to our mission of turning the City to the best place to stay, work and play.

Over the years, through our budget processes, we have realised tangible and major improvements in the provision of core municipal services. Our success story tells the following: 87% of our residents have clean water, 82% now have access to electricity, 85% of our households enjoy flushing toilets and 88.4% households in the region have access to refuse removal.

Added to this, almost 82 000 houses have been built, many roads have been constructed, clinics were built and others upgraded, and a number of recreational facilities were constructed in some of our previously disadvantaged townships.

As we move the City of Ekurhuleni forward, our medium-term revenue and expenditure framework will focus on amongst others, broadening services where they do not exist,

improving and sustaining the quality of services, and ensuring that Ekurhuleni becomes a preferred destination for growth and development. We are aware of the unacceptable unemployment rate, inequalities of the past and of course poverty. Ours is to ensure that we play our part in ensuring that these are issues of the past.

In driving development and economic growth forward, our budgeting makes provision for flagship projects, namely the Aerotropolis; Urban Renewal; Township Economies; Revitalisation of the Manufacturing Sector; Rehabilitation of Dams and Lakes; Digital City; and the Integrated Rapid Public Transport Network. These are the key drivers of the local economy and we have faith that they will turn the living conditions of the people of Ekurhuleni around.

Despite the volatile economic environment, the City of Ekurhuleni has maintained sound and prudent financial management. We remain a credit worthy municipality with a strong liquidity position. Our city is building capital replacement reserves with a view to addressing infrastructure backlogs, as highlighted by the Growth and Development Strategy (GDS) 2055.

Working together with our communities we have laid a solid foundation with major progress in bettering the lives our residents.

Our budget commits not only to moving Ekurhuleni forward, but to supporting the broader national discourse. Let us continue working together to secure the future of our 14-year-old city and her people for this is the purpose for which Ekurhuleni was established in the first place.

1.2 Council Resolutions

On 28 May 2015 the EMM's Council will meet at the Germiston Council Chambers to consider the metro's annual budget for the 2015/16 financial year. The Council will consider the following resolutions:

*"1. The Council of the EMM, acting in terms of section 24 of the Municipal Finance Management Act, (Act 56 of 2003) **APPROVES** and **ADOPTS**:*

- 1.1 The annual budget of the municipality for the financial year 2015/16 and the multi-year and single-year capital appropriations as set out in the following tables:*
 - 1.1.1 Budgeted Financial Performance (revenue and expenditure by standard classification) as contained in Table 22 on page 58;*
 - 1.1.2 Budgeted Financial Performance (revenue and expenditure by municipal vote) as contained in Table 23 on page 61;*
 - 1.1.3 Budgeted Financial Performance (revenue by source and expenditure by type) as contained in Table 25 on page 65; and*
 - 1.1.4 Multi-year and single-year capital appropriations by municipal vote and standard classification and associated funding by source as contained in Table 26 on page 68.*
- 1.2 The financial position, cash flow budget, cash backed reserve / accumulated surplus, asset management and basic service delivery targets are approved as set out in the following tables:*
 - 1.2.1 Budgeted Financial Position as contained in Table 27 on page 73;*

- 1.2.2 Budgeted Cash Flows as contained in Table 28 on page 76;
- 1.2.3 Cash backed reserves and accumulated surplus reconciliation as contained in Table 29 on page 77;
- 1.2.4 Asset management as contained in Table 30 on page 80, and
- 1.2.5 Basic service delivery measurement as contained in Table 31 on page 82.

2. The Council of the EMM, acting in terms of section 75A of the Local Government: Municipal Systems Act (Act 32 of 2000) **APPROVES** and **ADOPTS** with effect from 1 July 2015:

- 2.1 Schedule 1 - Tariffs for property rates.
- 2.2 Schedule 2 – Tariffs for electricity.
- 2.3 Schedule 3 - Tariffs for the supply of water.
- 2.4 Schedule 4 - Tariffs for the supply of sewer.
- 2.5 Schedule 5 – Tariffs for waste management services.

– as set out in Annexure C

3. The Council of the EMM, acting in terms of 75A of the Local Government: Municipal Systems Act (Act 32 of 2000) **APPROVES** and **ADOPTS** with effect from 1 July 2015 the tariffs for other services, as set out in the various tariff schedules as contained in Annexure C.

4. To give proper effect to the municipality's annual budget, the Council of the EMM **APPROVES**:

4.1 **That** cash backing is implemented through the utilisation of a portion of the revenue generated from property rates and user charges for services to ensure that all capital reserves and provisions, unspent long-term loans and unspent conditional grants are cash backed as required in terms of the municipality's funding and reserves policy as prescribed by Section 8 of the Municipal Budget and Reporting Regulations.

4.2 **That** the municipality **BE PERMITTED** to enter into long-term borrowings for the funding of the capital programmes in respect of the 2015/16 financial year limited to an amount of R1.007 billion, 2016/17 financial year limited to an amount of R1.812 billion and 2017/18 financial year limited to an amount of R1.712 billion, in terms of Section 46 of the Municipal Finance Management Act.

4.3 **That** the Municipal Manager **BE AUTHORISED** to sign all necessary agreements and documents to give effect to the above lending programme.

4.4 **That** the taking up of an external loan of R1.007 billion to fund the 2015/2016 Capital Budget **BE APPROVED** for a term of 10 to 15 years and that a further report be submitted to Council to give feedback on the public comments received in this regard before the transaction is finalised.

5. To guide the implementation of the municipality's annual budget, the Council of the EMM **APPROVES** the policies as set out in the Annexures of this document.

Annexure D1	Medium-term Budget Policy Statement (reviewed)
Annexure D2	Pricing Policy Statement (reviewed)
Annexure D3	Property Rates Policy (remains unchanged)

Annexure D4	Provision of Free Basic Electricity Policy (remains unchanged)
Annexure D5	Waste Management Services Tariff Policy (reviewed)
Annexure D6	Consumer Deposit Policy (reviewed)
Annexure D7	Indigent Policy (remains unchanged)
Annexure D8	Credit Control & Debt Collection Policy (reviewed)
Annexure D9	Provision for Doubtful Debtors and Debtors Write Off (reviewed)
Annexure D10	Budget Implementation and Monitoring Policy (reviewed)
Annexure D11	Municipal Entity Financial Support Policy (remains unchanged)
Annexure D12	Accounting Policy (reviewed)
Annexure D13	Funding and Reserves Policy (remains unchanged)
Annexure D14	Borrowing Policy (remains unchanged)
Annexure D15	Cash Management Policy (remains unchanged)
Annexure D16	Policy on electricity metering for residential and small business customers in the EMM (reviewed)
Annexure D17	Policy for the Vending of Pre-paid Electricity (reviewed)
Annexure D18	Policy for Correction of Meter Reading and Billing Data (new policy)
Annexure D19	Electricity Tariff policy (existing policy added to list of Budget Related Policies)
Annexure D20	Virement Policy (new policy)
Annexure D21	Consumer Agreement Policy (existing policy added to list of Budget Related Policies)

6. To ensure oversight of the municipal entities, the Council of the EMM **APPROVES** the salaries and benefits of the Municipal Entities as set out in the Annexure B (main budget document) for the purpose of setting upper limits as required by Section 89 of the Municipal Finance Management Act.
7. **That** the Chief Financial Officer in consultation with the City Manager **BE DELEGATED** the authority to adjust the 2015/16 Operating and Capital Budgets (income and expenditure) with:
 - 7.1 all operating and capital grants received in addition to the currently gazetted DORA grants
 - 7.2 income received for recoverable jobs
 - 7.3 insurance claims received
 - 7.4 developers' contributions received
 - 7.5 transactions on the internal cost management structure
 - 7.6 disbursement of centralised budgets
8. **That** the Chief Financial Officer **BE AUTHORISED** to amend the structure on the financial system, in collaboration with the Heads of Departments, to align the financial system to the outcome of the Institutional Review and the new Standard Chart Of Accounts (SCOA), structure proposed by National Treasury.
9. **That**, in order to facilitate multi-year budgeting, departments **BE AUTHORISED** to commit projects on the 2016/17 and 2017/18 budgets, on both internal and confirmed external funding sources.
10. **That** authority **BE GRANTED**, to a maximum amount of R200 m, in respect of bank overdraft facilities and/or the raising of short-term loans, including loans at

call from Council's bankers, for the financial year ending 30 June 2016 in order to finance temporarily –

- *Expenditure on the Capital Budget; or*
- *Expenditure on the Operating Budget incurred in anticipation of the receipt of revenue estimated and from which the expenditure would have been defrayed.*

11. ***That the EMM, IDP and Service Delivery Budget Implementation Plan (SDBIP) for 2014/15 as contained in Annexures A and E respectively, **BE ADOPTED.*****
12. ***That the copy of the IDP **BE SUBMITTED** to the MEC for Local Government for comments.***
13. ***That the MEC for Local Government **BE REQUESTED** to approve the EMM IDP for 2015/16 as its Land Development Objectives as envisaged in Section 72a of the Development Facilitation Act."***
14. ***That projects in the 2015/16 Capital Budget which is funded from either External Borrowing or Capital Replacement Reserve for the purposes of Virement **BE REGARDED** as similar sources of funding.***

1.3 Executive Summary

Legislation stipulates clearly that a municipality must not only give effect to its IDP, but must also conduct its affairs in a manner which is consistent with its IDP. This includes the compilation of the Medium-term Revenue and Expenditure Framework.

The City's GDS and IDP are its principal strategic planning instruments, which directly guide and inform its planning, budget, management and development actions. This framework is rolled out into objectives, key performance indicators and targets for implementation, which directly informs the Service Delivery and Budget Implementation Plan.

The compilation of the MTREF remains a huge challenge to balance the budget between the limited revenue resources available and the immense need to provide quality service delivery to our community. Tariff increases must be limited to be within the affordability levels of our community and must still promote economic growth to ensure financial sustainability. Council on the other hand must address the huge demand to improve the standard of service delivery and to "do more with less" funds available.

The Minister of Finance, Mr Nhlanhla Nene, mentioned in his Medium Term Budget Policy Statement Speech on 22 October 2014 that the economic growth rate of 1.4% in the current year is much than the estimated 2.7%. The Minister is expecting that the growth rate will increase to 3.0% in 2017. This budget is cautiously based on an **expected growth rate of 1.6%** in 2015/16.

Electricity consumption in EMM for the first 6 months of each financial year is showing for 4 consecutive years a decline in unit sales. The national drive to reduce energy consumption as well as the development of alternative energy sources (i.e. solar systems) is having a serious impact in the growth of income from electricity. Therefore **no growth in electricity sales** is expected in 2015/16.

Factors such as energy constraints, labour market disruptions, skills shortages, administrative shortcomings and difficulties in our industrial transformation, is affecting the budget for EMM as well.

The MTREF used the guidelines set by the Minister of Finance in his Medium-term Budget Policy Statement Speech as well as the guidelines in terms of Circular 74 dated 12 December 2014 as issued by National Treasury.

The budget is based on the EMM Service Delivery Statement (Manifesto) and the EMM GDS 2055 approved by Council, together with the economic and socio-economic factors within EMM.

Several flagship projects provided in the 2015/16 MTREF are addressing the key aspects of the National Development Plan. To name a few, flagship projects such as job creation and the Aerotropolis stimulate economic growth and development.

The **inflation outlook** as set out in Circular No 74 issued on 12 December 2014 is set at **5.8%**.

It is proposed that the **property rate tariff be increased by 7.5%** for 2015/16, which is still in line with the tariff increase set in the current MTREF approved by Council. However, with the IRPTN project coming into operation in the middle of 2016, it would be necessary to consider a 10% increase in assessment rates in the outer years of the MTREF.

As announced by NERSA and also contained in Circular 74, the bulk purchases from Eskom will increase with 14.24%, whilst EMM will pass on an **electricity tariff increase of 12.2%**

to its consumers. The tariffs for the different users will vary with increases between 12.08% and 12.69%.

The bulk water tariff purchased from Rand Water has not yet been finalised. However, Rand Water submitted an application of 14.5% to parliament. The budget is based on a **water tariff increase of 14.5%** which is the same as the bulk water purchases tariff.

Sanitation tariffs will increase by 9.5%. This is based on the cost of sewer purification rendered by Erwat.

Refuse removal tariff increase was set at 8% for all users. This is largely based on the increase of the main cost drivers of the service.

Sundry tariff increases will be limited, in most instances, to be within the CPI rate. A summary of the increases is contained later in this report.

The impact of the above tariff increases on households is estimated to vary between 11.1% and 12.8%, as set out in Table 15 MBRR Table SA14 – household bills on page 42.

There is a clear indication of Council's commitment to improve the level of core municipal services to the community. More funds are allocated for maintenance and repairs to adhere to the Minister of Finance's speech of building capacity of local government through the **"back to basics"** approach. This resulted therein that the Total Surplus from Trading Services is decreasing from R2.8 billion in the 2014/15 Original Budget to R2.4 billion in 2015/16 MTREF. A decrease of R410m.

The financial sustainability of the 2015/16 MTREF is largely dependent on the collection level of billed income. Provision is made for a **collection level of 93%**. To achieve this collection, the EMM will have to implement more robust credit control measures.

The **Capital Budget of R4.5 billion for 2015/16 is 18% more** when compared to the 2014/15 Original Budget.

Historically the ratio between the Operating Budget and Capital Budget was 90:10 (10%). The ratio as determined on the final budget for the current year is 12.55%. This ratio would be **15.3%** in the 2015/16 Budget.

The Capital Budget is largely driven by projects emanating from the GDS 2055, IDP and projects identified by the community as well as the backlog in services. A comprehensive backlog study was conducted and various components of backlog on infrastructure were analysed, including access backlogs, technical backlogs, and growth and renewal backlogs totalling in excess of R85 billion.

In order to improve the services rendered to our community the Original 2014/15 Budget for **repair and maintenance** has been increased by **15.47%** in 2015/16, which is considerably more than CPI rate or the average tariff increases. The increase in the repair and maintenance budget has already been addressed in the Adjustment Budget, which still need to be approved.

In terms of Council's social commitment to assist the poorer communities in Ekurhuleni provision was also made for the supply of free basic services and social contributions to identified structures in Ekurhuleni.

All residential owners will **continue to receive assessment rate exemption on the value of their homes. The first R150 000 is exempted for assessment rates.** Various other grants on assessment rates, such as pensioners' rebate, rebate to low income people, properties zoned for religious purposes, will continue in the new year.

Council will continue with the **supply of free basic water and sanitation to residents**. All residents receive **6Kl water and 6Kl sanitation free**, whilst indigents receive an additional 3Kl per month.

However, based on the growing demand by national government, Council will have to reconsider the free supply of services to ALL communities. Free basic water and sanitation will only be supplied to the poorer communities and not all communities. Council is in a process to analyse the impact and various options for future implementation.

The slow pace in registering indigents forced Council to consider an alternative option in addressing the indigents. Similar to the process followed by other metros in SA, Council adopted the targeted approach. This implies that **all residents with property values of less than R150 000 are regarded as deemed indigent**.

The total amount budgeted for **free basic services and social grants** to our community amounts to **R2.5 billion**.

The MTREF for the 2015/16 Multi-year budget, with comparative information is as follows:

Table 1 Operating Budget Summary

FINANCIAL PERIOD	F00 R'000	F00 R'000	F00 R'000	F01 R'000	%	%	%	F02 R'000	F03 R'000
	ADJ BUDGET	YEAR TO DATE	PROJECTED	2015/16	B to B	P to B	Of Total	2016/17	2017/18
INCOME									
Property Rates	4,679,333	3,493,838	4,658,451	5,022,605	7.34%	7.82%	15.98%	5,549,979	6,160,476
Departmental Usage	11,655	8,667	11,556	12,469	6.98%	7.90%	0.04%	13,778	15,294
Less: Income foregone	668,925	502,582	668,925	727,293	8.73%	8.73%	2.31%	821,842	912,244
Sub-total: NET PROPERTY RATES	4,022,064	2,999,922	4,001,082	4,307,780	7.10%	7.67%	13.71%	4,741,915	5,263,526
Penalties Imposed on Property Rates	108,989	64,985	108,989	113,348	4.00%	4.00%	0.36%	122,416	132,209
Interest Earned - Outstanding Debtors	219,921	214,691	286,254	272,380	23.85%	-4.85%	0.87%	294,170	317,704
Sub-total: PENALTIES AND INTEREST ON DEBTORS	328,910	279,676	395,243	385,728	17.27%	-2.41%	1.23%	416,586	449,913
Electricity Sales	11,394,958	8,483,487	11,311,317	12,800,314	12.33%	13.16%	40.73%	14,327,878	16,038,727
Departmental Usage	324,475	157,987	210,649	353,494	8.94%	67.81%	1.12%	381,783	412,688
Less: Income foregone	–	–	–	–	0.00%	0.00%	0.00%	–	–
Sub-total: NET ELECTRICITY SALES	11,719,433	8,641,474	11,521,965	13,153,808	12.24%	14.16%	41.85%	14,709,660	16,451,415
Solid Waste Income	1,108,842	808,514	1,078,019	1,206,511	8.81%	11.92%	3.84%	1,301,777	1,404,595
Departmental Usage	151,187	108,337	144,449	158,426	4.79%	9.68%	0.50%	171,100	184,788
Less: Income foregone	–	–	–	–	0.00%	0.00%	0.00%	–	–
Sub-total: SOLID WASTE SALES	1,260,029	916,851	1,222,467	1,364,937	8.33%	11.65%	4.34%	1,472,877	1,589,383
Sanitation Income	1,306,300	978,216	1,325,734	1,453,907	11.30%	9.67%	4.63%	1,588,176	1,727,555
Departmental Usage	32,115	9,356	12,680	35,166	9.50%	177.33%	0.11%	38,506	41,972
Less: Income foregone	269,905	201,196	269,905	299,325	10.90%	10.90%	0.95%	327,760	357,259
Sub-total: NET SANITATION SALES	1,068,510	786,376	1,068,510	1,189,748	11.35%	11.35%	3.79%	1,298,922	1,412,268
Water Sales	3,173,057	2,449,795	3,266,393	3,792,321	19.52%	16.10%	12.07%	4,171,553	4,546,993
Departmental Usage	52,104	52,270	69,694	59,660	14.50%	-14.40%	0.19%	65,626	71,532
Less: Income foregone	357,300	267,445	357,300	414,111	15.90%	15.90%	1.32%	455,522	496,519
Sub-total: NET WATER SALES	2,867,861	2,234,620	2,978,787	3,437,870	19.88%	15.41%	10.94%	3,781,657	4,122,006
MARKET INCOME	19,473	12,739	18,694	21,072	8.21%	12.72%	0.07%	22,758	24,464
MINOR INCOME	58,860	40,315	55,917	65,132	10.66%	16.48%	0.21%	108,571	114,391
Total: USER CHARGES FOR SERVICES	16,994,165	12,632,376	16,866,340	19,232,567	13.17%	14.03%	61.19%	21,394,444	23,713,928
FUEL LEVY	1,469,674	1,469,674	1,469,674	1,528,809	4.02%	4.02%	4.86%	1,623,814	1,719,682
RENT OF FACILITIES AND EQUIPMENT	65,945	43,469	57,958	68,058	3.20%	17.43%	0.22%	73,501	79,380
INTEREST EARNED ON INVESTMENTS	281,998	285,552	338,398	317,085	12.44%	-6.30%	1.01%	345,623	376,729
Traffic Fines	94,600	23,434	31,245	105,000	10.99%	236.05%	0.33%	115,500	127,050
Final Notice Fees	79,802	68,348	91,130	85,388	7.00%	-6.30%	0.27%	91,792	98,676
Disconnection Fees	70,073	26,317	35,090	68,221	-2.64%	94.42%	0.22%	73,338	78,838
Other Fines	8,641	8,020	10,694	8,466	-2.03%	-20.84%	0.03%	9,101	9,783
Sub-Total: FINES	253,116	126,119	168,159	267,074	5.51%	58.82%	0.85%	289,730	314,347
LICENSES AND PERMITS	45,417	39,138	49,959	54,205	19.35%	8.50%	0.17%	68,270	73,391
INCOME FROM AGENCY SERVICES	258,557	194,079	258,773	274,014	5.98%	5.89%	0.87%	295,935	319,610
Operating Grants - Other	22,388	4,265	22,388	23,821	6.40%	6.40%	0.08%	38,822	40,755
Equitable Share	2,042,951	2,042,951	2,042,951	2,181,182	6.77%	6.77%	6.94%	2,385,328	2,640,836
Provincial Operating Grants	66,397	15,964	66,397	75,323	13.44%	13.44%	0.24%	–	–
National Operating Grant	439,783	186,662	439,783	394,972	-10.19%	-10.19%	1.26%	362,850	427,435
Health Subsidies	111,952	111,953	111,952	117,885	5.30%	5.30%	0.38%	124,133	130,340
Emergency Services Subsidies	136,040	136,040	136,040	143,250	5.30%	5.30%	0.46%	150,842	158,384
Sub-Total: OPERATING GRANTS	2,819,512	2,497,835	2,819,512	2,936,434	4.15%	4.15%	9.34%	3,061,976	3,397,750
Capital Grants - Other	4,500	(0)	4,275	–	-100.00%	0.00%	0.00%	–	–
INEP	61,000	56,598	57,950	50,000	-18.03%	-13.72%	0.16%	40,000	30,000
Electricity Demand Side Management	17,500	9,337	16,625	14,000	-20.00%	-15.79%	0.04%	20,000	20,000
Neighborhood Development Partnership Grant	176	0	167	20,000	11263.64%	11861.72%	0.06%	60,000	53,390
USDG	1,664,713	628,978	1,581,477	1,550,181	-6.88%	-1.98%	4.93%	1,668,091	1,720,000
Public Transport Infrastructure Grant	290,224	134,173	275,713	309,296	6.57%	12.18%	0.98%	404,389	536,544
Provincial Capital Grants	72,327	2,181	68,711	32,079	-55.65%	-53.31%	0.10%	8,000	6,000
Sub-Total: CAPITAL GRANTS	2,110,440	831,266	2,004,918	1,975,556	-6.39%	-1.46%	6.29%	2,200,480	2,365,934
SUNDRY INCOME	66,581	48,433	66,581	78,085	17.28%	17.28%	0.25%	82,379	86,910
GAIN ON SALE OF ASSETS	5,000	–	–	5,000	0.00%	100.00%	0.02%	5,000	5,000
TOTAL OPERATING INCOME	28,721,378	21,447,539	28,496,596	31,430,394	9.43%	10.30%	100.00%	34,599,653	38,166,100
Internal Recoveries	–	(462)	(616)	–	0.00%	0.00%	0.00%	–	–
NET OPERATING INCOME	28,721,378	21,447,077	28,495,980	31,430,394	9.43%	10.30%	100.00%	34,599,653	38,166,100

EKURHULENI METROPOLITAN MUNICIPALITY – FINAL BUDGET 2015/16 TO 2017/18

FINANCIAL PERIOD	F00 R'000	F00 R'000	F00 R'000	F01 R'000	%	%	%	F02 R'000	F03 R'000
	ADJ BUDGET	YEAR TO DATE	PROJECTED	2015/16	B to B	P to B	Of Total	2016/17	2017/18
EXPENDITURE									
Employee Related Costs - Salaries	4,514,802	3,098,301	4,345,598	5,128,820	13.60%	18.02%	17.22%	5,506,543	5,841,136
Employee Related Costs - Overtime	363,004	373,961	524,509	386,723	6.53%	-26.27%	1.30%	411,860	436,571
Employee Related Costs - Additional	195,221	–	–	155,000	-20.60%	100.00%	0.52%	155,000	155,000
Employee Related Costs - Social	1,157,972	798,955	1,111,653	1,201,937	3.80%	8.12%	4.04%	1,280,063	1,356,867
Less: Employee Related Costs - Salaries Capitalised	(159,043)	–	(50,000)	(151,043)	-5.03%	202.09%	-0.51%	(160,861)	(170,512)
Less :Employee Related Costs - Salaries to R and M Internal	(725,395)	(515,316)	(687,089)	(773,950)	6.69%	12.64%	-2.60%	(824,257)	(873,712)
Remuneration of Councillors	101,919	70,745	101,919	108,849	6.80%	6.80%	0.37%	115,924	122,880
Sub-Total: REMUNERATION	5,448,480	3,826,647	5,346,589	6,056,336	11.16%	13.27%	20.33%	6,484,273	6,868,230
BAD DEBT PROVISION	1,230,204	922,653	1,230,204	1,435,562	16.69%	16.69%	4.82%	1,507,341	1,627,928
COLLECTION COSTS	188,370	95,680	169,533	177,932	-5.54%	4.95%	0.60%	187,718	198,043
DEPRECIATION	2,051,463	1,538,597	2,051,463	2,093,893	2.07%	2.07%	7.03%	2,156,910	2,352,559
Repairs and Maintenance - External Contractors	1,205,661	517,990	1,120,070	1,336,254	10.83%	19.30%	4.49%	1,505,583	1,640,364
Repairs and Maintenance - Electricity Maintenance Levy	452,846	232,994	503,795	514,061	13.52%	2.04%	1.73%	575,748	644,838
Repairs and Maintenance - Water Maintenance Levy	87,645	15,941	34,470	95,350	8.79%	176.62%	0.32%	104,884	114,324
Repairs and Maintenance - Internal Maintenance Teams	725,395	515,263	687,017	773,950	6.69%	12.65%	2.60%	824,257	873,712
Sub-Total: REPAIRS AND MAINTENANCE	2,471,547	1,282,188	2,345,351	2,719,615	10.04%	15.96%	9.13%	3,010,473	3,273,238
INTEREST ON EXTERNAL BORROWINGS	669,272	388,212	592,297	763,197	14.03%	28.85%	2.56%	858,597	965,921
Bulk Purchases - Electricity	7,624,012	5,515,835	7,471,532	8,709,638	14.24%	16.57%	29.24%	9,928,964	11,318,987
Bulk Purchases - Water	2,239,516	1,665,544	1,745,921	2,548,142	13.78%	45.95%	8.55%	2,802,956	3,055,222
Bulk Purchases - Sewer purification	513,474	381,573	1,007,069	569,443	10.90%	-43.46%	1.91%	623,540	679,659
Sub-Total: BULK PURCHASES	10,377,002	7,562,952	10,224,522	11,827,223	13.98%	15.68%	39.71%	13,355,460	15,053,868
CONTRACTED SERVICES	879,528	454,145	747,599	908,808	3.33%	21.56%	3.05%	958,792	1,035,496
Grants & Subsidies Paid - Social/Educational/Sports	116,280	55,777	82,767	169,629	45.88%	104.95%	0.57%	182,875	196,304
Grants & Subsidies Paid - Eskom & Excess consumption	444,997	264,070	391,852	432,997	-2.70%	10.50%	1.45%	488,592	543,115
Grants & Subsidies Paid - Entities	3,500	1,750	2,597	3,500	0.00%	34.78%	0.01%	3,693	3,896
Grants & Subsidies Paid - Add rebates on Ass rates - pens	41,919	32,614	48,396	44,816	6.91%	-7.40%	0.15%	50,642	56,213
Grants & Subsidies Paid - Free Basic Services - Indigents	439,665	299,744	444,787	462,045	5.09%	3.88%	1.55%	509,671	560,873
Sub-Total: Grants and Subsidies	1,046,361	653,955	970,399	1,112,987	6.37%	14.69%	3.74%	1,235,472	1,360,401
GENERAL EXPENSES	1,649,561	726,252	1,353,247	1,586,540	-3.82%	17.24%	5.33%	1,732,104	1,773,363
OPERATING GRANTS EXPENDITURE	506,180	202,626	506,180	470,295	-7.09%	-7.09%	1.58%	377,851	433,058
IMPAIRMENT LOSS	–	–	–	–	0.00%	0.00%	0.00%	–	–
LOSS ON SALE OF ASSETS	25,000	–	25,000	15,000	-40.00%	-40.00%	0.05%	15,000	15,000
TOTAL OPERATING EXPENDITURE	26,542,969	17,653,907	25,562,385	29,167,390	9.89%	14.10%	97.92%	31,879,991	34,957,105
Internal Charges	571,728	725,362	830,150	619,214	8.31%	-25.41%	2.08%	670,792	726,274
NET OPERATING EXPENDITURE	27,114,697	18,379,270	26,392,535	29,786,604	9.85%	12.86%	100.00%	32,550,784	35,683,379
OPERATING SURPLUS/(DEFICIT)	1,606,681	3,067,808	2,103,445	1,643,791	2.31%	-21.85%		2,048,869	2,482,721
Contribution to Capital Budget	2,110,440	831,266	2,004,918	1,975,556	-6.39%	-1.46%		2,200,480	2,365,934
Total Transfers to Cash-Backed Reserves	113,000	84,750	113,000	130,000	15.04%	15.04%		150,000	250,000
Total Transfers from Cash-Backed Reserves	619,642	464,732	619,642	464,732	-25.00%	-25.00%		309,821	154,911
Total Other Adjustments	–	–	–	–	0.00%	0.00%		–	–
NET OPERATING SURPLUS/ (DEFICIT)	2,883	2,616,523	605,169	2,967	2.90%	-99.51%		8,211	21,698

Table 2 Consolidated Overview of the 2015/16 MTREF

Consolidated Overview of the 2015/16 MTREF				
	Adjustment Budget 2014/15	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
Total Operating Revenue	26,610,937,728	29,454,838,925	32,399,173,439	35,800,165,546
Total Operating Expenditure	26,608,054,448	29,451,871,899	32,390,962,711	35,778,467,960
<i>Surplus/(Deficit) for the year</i>	2,883,280	2,967,026	8,210,728	21,697,586
Total Capital Expenditure	3,810,949,622	4,471,563,427	4,958,027,846	5,182,445,270
** Total Operating Revenue excludes Grants received for Capital				
** Total Operating Expenditure excludes Capital expenditure funded by Grants and includes Contribution to Capital Replacement Reserve				

Total operating revenue has grown by 10.69% or R2.8 billion for the 2015/16 financial year when compared to the 2014/15 Budget. For the two outer years, operational revenue is increasing at a similar percentage, equating to a total revenue growth of R6.3 billion over the MTREF when compared to the 2015/16 financial year.

Total operating expenditure amounts to R29.5 billion in the 2015/16 financial year. Thus, it translates into a budgeted surplus of R3.0m. When compared to the 2014/15 Adjustments Budget, operational expenditure has grown by 10.69% in the 2015/16 budget. The operating surplus for the two outer years amounts to R8.2m and R21.7m respectively.

1.4 Operating Revenue Framework

Statistics from the 2011 National Census show that the population of EMM has increased by an average of 3.14% annually. A large portion of these residents are unemployed, which results in an increase in services and expenditure but not necessarily an increase in the income base of Council.

For the EMM to continue improving the quality of services provided to its citizens it needs to generate the required revenue. In these tough economic times strong revenue management is fundamental to the financial sustainability of every municipality. The reality is that the metro is faced with development backlogs and poverty. The expenditure required to address these challenges will inevitably always exceed available funding; hence difficult choices have to be made in relation to tariff increases and balancing expenditures against realistically anticipated revenues.

The municipality's revenue strategy is built around the following key components:

- National Treasury's guidelines and macroeconomic policy;
- Growth in the metro and continued economic development;
- Efficient revenue management, which aims to ensure a 93% annual collection rate for property rates and other key service charges;
- Electricity tariff increases as approved by the National Energy Regulator of South Africa (NERSA);
- Achievement of full cost recovery of specific user charges especially in relation to trading services;
- Determining the tariff escalation rate by establishing/calculating the revenue requirement of each service;
- The municipality's Property Rates Policy approved in terms of the Municipal Property Rates Act, 2004 (Act 6 of 2004) (MPRA);
- Increase ability to extend new services and recover costs;

- The municipality's Indigent Policy and rendering of free basic services; and
- Tariff policies of the metro.

The following table is a summary of the 2014/15 MTREF (classified by main revenue source):

Table 3 Summary of revenue classified by main revenue source (Source: NT Table A4)

Eku Ekurhuleni Metro - Table A4 Budgeted Financial Performance (revenue and expenditure)										
Description	2011/12	2012/13	2013/14	Current Year 2014/15				2015/16 Medium Term Revenue & Expenditure Framework		
R thousand	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
Revenue By Source										
Property rates	2,590,399	2,802,871	3,427,709	4,025,721	4,025,721	4,001,082	4,001,082	4,307,780	4,741,915	5,263,526
Property rates - penalties & collection charges	53,770	72,092	106,611	108,989	108,989	108,989	108,989	113,348	122,416	132,209
Service charges - electricity revenue	9,086,646	9,692,978	10,358,669	11,717,499	11,718,453	11,521,965	11,521,965	13,153,808	14,709,660	16,451,415
Service charges - water revenue	2,053,595	2,149,636	2,576,373	2,867,861	2,867,861	2,978,787	2,978,787	3,437,870	3,781,657	4,122,006
Service charges - sanitation revenue	715,985	745,454	895,456	995,311	1,068,510	1,068,510	1,068,510	1,189,748	1,298,922	1,412,268
Service charges - refuse revenue	726,039	846,321	962,652	1,231,349	1,260,029	1,222,467	1,222,467	1,364,937	1,472,877	1,589,383
Service charges - other	58,232	65,887	67,889	78,333	78,333	74,611	74,611	86,204	131,328	138,856
Rental of facilities and equipment	49,227	49,600	55,705	65,945	65,945	57,958	57,958	68,058	73,501	79,380
Interest earned - external investments	153,736	239,543	370,295	220,043	281,998	338,398	338,398	317,085	345,623	376,729
Interest earned - outstanding debtors	199,887	257,705	362,065	219,921	219,921	286,254	286,254	272,380	294,170	317,704
Dividends received	-	-	-	-	-	-	-	-	-	-
Fines	210,364	173,029	167,705	253,116	253,116	168,159	168,159	267,074	289,730	314,347
Licences and permits	33,961	35,332	41,011	45,417	45,417	49,959	49,959	54,205	68,270	73,391
Agency services	208,921	228,211	235,641	258,557	258,557	258,773	258,773	274,014	295,935	319,610
Transfers recognised - operational	3,285,158	3,638,073	3,823,804	2,683,115	2,812,966	2,819,512	2,819,512	2,936,434	3,061,976	3,397,750
Other revenue	105,667	138,189	97,021	1,534,524	1,536,255	1,535,639	1,535,639	1,606,894	1,706,193	1,806,592
Gains on disposal of PPE	776	-	-	5,000	5,000	-	-	5,000	5,000	5,000
Total Revenue (excluding capital transfers and contributions)	19,532,362	21,134,921	23,548,607	26,310,701	26,607,068	26,491,062	26,491,062	29,454,839	32,399,173	35,800,166

Table 4 Percentage growth in revenue by main revenue source (this represents the revenue per source as a percentage of the total revenue)

Percentage growth in revenue by main revenue source								
	Current year 2014/15		2015/16 Medium Term Revenue & Expenditure Framework					
Description	Adjusted Budget R' 000	%	Budget Year 2015/16 R '000	%	Budget Year +1 2016/17 R '000	%	Budget Year +2 2017/18 R '000	%
Revenue by Source								
Property Rates	4,022,064	15.1%	4,307,780	16.2%	4,741,915	17.8%	5,263,526	19.8%
Property Rates - Penalties & Collection Charges	108,989	0.4%	113,348	0.4%	122,416	0.5%	132,209	0.5%
Service Charges - Electricity Revenue	11,719,433	44.0%	13,153,808	49.4%	14,709,660	55.3%	16,451,415	61.8%
Service Charges - Water Revenue	2,867,861	10.8%	3,437,870	12.9%	3,781,657	14.2%	4,122,006	15.5%
Service Charges - Sanitation Revenue	1,068,510	4.0%	1,189,748	4.5%	1,298,922	4.9%	1,412,268	5.3%
Service Charges - Refuse Revenue	1,260,029	4.7%	1,364,937	5.1%	1,472,877	5.5%	1,589,383	6.0%
Service Charges - Other	78,333	0.3%	86,204	0.3%	131,328	0.5%	138,856	0.5%
Rental of Facilities and Equipment	65,945	0.2%	68,058	0.3%	73,501	0.3%	79,380	0.3%
Interest earned - External Investments	281,998	1.1%	317,085	1.2%	345,623	1.3%	376,729	1.4%
Interest earned -Outstanding Debtors	219,921	0.8%	272,380	1.0%	294,170	1.1%	317,704	1.2%
Fines	253,116	1.0%	267,074	1.0%	289,730	1.1%	314,347	1.2%
Licenses and Permits	45,417	0.2%	54,205	0.2%	68,270	0.3%	73,391	0.3%
Agency Services	258,557	1.0%	274,014	1.0%	295,935	1.1%	319,610	1.2%
Transfers Recognised - Operational	2,819,512	10.6%	2,936,434	11.0%	3,061,976	11.5%	3,397,750	12.8%
Other Revenue	1,536,255	5.8%	1,606,894	6.0%	1,706,193	6.4%	1,806,592	6.8%
Gains on Disposal of PPE	5,000	0.0%	5,000	0.0%	5,000	0.0%	5,000	0.0%
Total Revenue (Excluding Capital Transfers and Contributions)	26,610,938	100.0%	29,454,839	110.7%	32,399,173	121.8%	35,800,166	134.5%
Charges	21,125,217	79.4%	23,653,695	80.3%	26,258,775	81.0%	29,109,663	81.3%

In line with the formats prescribed by the Municipal Budget and Reporting Regulations, capital transfers and contributions are excluded from the operating statement, as inclusion of these revenue sources would distort the calculation of the operating surplus/deficit.

Revenue generated from rates and services charges contributes 80.3% (in 2015/16) of the total revenue basket for the metro. This represents an increase of 11.97% from the current financial year, which is largely as a result of the increase of 12.2% and 14.5% in the electricity and water tariff increases. It is a major concern that sundry income is only increasing with 5.2% from the current year. More focus should be directed to increase the sundry income of Council in future.

Details in this regard are contained in Table 25 MBRR Table A4 - Budgeted Financial Performance (revenue and expenditure) on page 65.

Electricity is the biggest source of income and represents R13.2 billion or 44.7% of the total income budget in 2015/16. This contribution from electricity increased slightly to 45.95% in 2017//18.

Property rates are the second largest revenue source totalling 14.7% or R4.3 billion. This includes income forgone.

Operating grants and transfers totals R2.9 billion or 10% of total income budget in the 2015/16 financial year and moves to R3.4 billion by 2017/18. The following table gives a breakdown of the various operating grants and subsidies allocated to the municipality over the medium-term:

Table 5 Operating Transfers and Grant Receipts

Eku Ekurhuleni Metro - Supporting Table SA18 Transfers and grant receipts									
Description	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
R thousand	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
RECEIPTS:									
<u>Operating Transfers and Grants</u>									
National Government:	2,956,672	3,416,204	2,168,333	2,397,871	2,481,794	2,481,794	2,576,154	2,748,178	3,068,271
Local Government Equitable Share	1,644,128	1,825,341	1,917,953	2,042,951	2,042,951	2,042,951	2,181,182	2,385,328	2,640,836
Finance Management	1,250	1,250	1,250	1,250	1,250	1,250	1,050	1,050	1,050
Public Transport and Systems	–	2,500	4,000	20,000	10,000	10,000	30,000	40,000	40,000
Integrated City Development Grant	–	–	8,808	40,323	48,380	48,380	43,194	41,627	45,577
EPWP Operational	–	7,814	10,405	6,422	6,422	6,422	13,709		
Water Services Operating Subsidy									
Other transfers/grants [insert description]	1,311,294	1,579,299	225,917	286,925	372,791	372,791	307,019	280,173	340,808
Provincial Government:	365,394	255,847	297,032	285,244	331,172	337,718	360,279	313,797	329,479
Health subsidy	79,897	101,755	106,493	111,952	111,952	111,952	117,885	124,133	130,340
Ambulance subsidy	163,184	119,220	129,001	136,040	136,040	136,040	143,250	150,842	158,384
SETA	23,539	18,680	3,291	22,388	22,388	22,388	23,821	23,821	25,132
Other transfers/grants [insert description]	98,774	16,192	58,247	14,864	60,791	67,338	75,323	15,001	15,623
District Municipality:	–	–	–	–	–	–	–	–	–
[insert description]									
Other grant providers:	–	–	–	–	–	–	–	–	–
Public Contributions	–								
Total Operating Transfers and Grants	3,322,066	3,672,051	2,465,365	2,683,115	2,812,966	2,819,512	2,936,434	3,061,976	3,397,750

Tariff-setting is a pivotal and strategic part of the compilation of any budget. When rates, tariffs and other charges were revised, local economic conditions, input costs and the affordability of services were taken into account to ensure the financial sustainability of the city.

The principles set out in the Medium-term Budget Policy and Pricing Policy Statement formed the basis of tariff settings.

National Treasury continues to encourage municipalities to keep increases in rates, tariffs and other charges at levels that reflect an appropriate balance between the interests of poor households, other customers and ensuring the financial sustainability of the municipality. For this reason municipalities must justify in their budget documentation all increases in excess of the 6% upper boundary of the South African Reserve Bank's inflation target in the budget narratives. Excessive increases are likely to be counterproductive, resulting in higher levels of non-payment.

The percentage increases of both Eskom and Rand Water bulk tariffs are beyond the mentioned inflation target. Given that these tariff increases are determined by external agencies, the impact they have on the municipality's electricity and tariffs are largely outside the control of the city. Discounting the impact of these price increases in lower consumer tariffs will erode the city's future financial position and viability.

The current challenge facing the city is managing the gap between cost drivers and tariffs levied, as any shortfall must be made up by either operational efficiency gains or service level reductions. Within this framework the city has undertaken the tariff setting process relating to service charges as follows:

1.4.1 Property Rates

The Municipal Property Rates Act came into effect on the 1 July 2009. In terms of section 46 of the Act, the market value of a property, if sold on the date of valuation in the open market by a willing seller to a willing buyer, is to be realised in the valuation roll.

In terms of section 8 of the Act, a municipality may in terms of the criteria set out in its rates policy levy different rates for different categories of rateable property, which may include categories determined according to the –

- a. Use of the property
- b. Permitted use of the property
- c. A Combination of (a) and (b).

In terms of section 15(1) of the Act, a municipality may in terms of criteria set out in its rates policy –

- a. Exempt a specific category of owners of properties, or the owners of a specific category of properties, from payment of a rate levied on their property; or
- b. Grant to a specific category of owners of properties, or to the owners of a specific category of properties a rebate on or a reduction in the rates payable in respect of their properties.

Categories of properties and owners in respect of which rebates are granted may in accordance with section 15(2) include the following:

- (a) residential properties;
- (b) industrial properties;
- (c) business and commercial properties;
- (d) agricultural properties;
- (e) mining and quarries;
- (f) public service purpose properties;
- (g) public service infrastructure;
- (h) public benefit activity property;
- (i) vacant land;

Other Categories

- (j) state-owned properties;
- (k) municipal properties;
- (l) privately owned towns serviced by the owner;
- (m) informal settlements;
- (n) protected areas;
- (o) properties on which national monuments are proclaimed;
- (p) Places of worship

In terms of section 17 of the Act, the following rates, are deemed to be “impermissible”:

- a. the first 30% of the market value of Public Services Infrastructure;
- b. on any property referred to in paragraphs (a), (b), (e), (g) and (h) of the definition of public service infrastructure
- c. on those parts of a special nature reserve, national park or nature reserve within the meaning of the Protected Areas Act, or a national botanical garden;
- d. on mineral rights within the meaning of paragraph (b) of the definition of “property” in section 1;
- e. on the first R15 000 of the market value of a property assigned in the valuation roll or supplementary valuation roll of a municipality to a category determined by the municipality –
 - i. for residential purposes; or
 - ii. for properties used for multiple purposes, provided one or more components of the property are used for residential purposes;
- f. on a property registered in the name of and used primarily as a place of public worship by a religious community, including an official residential residence registered in the name of that community which is occupied by an office-bearer of that community who officiates at services at that place of worship.

The Municipal Property Rates amendment act (29 of 2014) will become effective 1 July 2015 and Property Rates Policy have been amended to included changes.

FUNDING REQUIREMENTS

The following factors were taken into consideration in the determination of proposed rates:

- i. Operational and capital funding requirements.
- ii. Market values of properties as published in second general valuation roll (GV 2013), including supplementary valuation rolls published after implementation date, compiled in terms of Municipal Property Rates act.
- iii. Anticipated property developments and growth in supplementary property values.

Value of properties as per published general and supplementary valuation rolls, can be summarized as follows:

Rate - Code	Description	Number	Property Value
1	Residential	528 843	276 339 273 688
2	Industrial	7 148	40 463 949 300
3	Business and Commercial	11 862	65 344 594 070
4	Farms - Agriculture	701	2 724 655 000
5	Farms – Business and Commercial	196	774 780 000
6	Farms - Residential	2 462	4 157 771 000
8	Municipal Properties	120	732 594 500
9	Public Services Infrastructure (PSI)	1 032	22 387 205 100
10	Public Service Purpose Properties (PSP)	748	7 587 651 000
11	Informal Settlements	6 665	484 839 000
12	Mining and Quarries	23	1 450 310 000
13	Vacant Land	40 477	10 889 065 730
14	Protected Areas	26	90 225 000
15	National Monuments	1	4 720 000
17	Smallholdings - Agriculture	170	229 970 000
18	Smallholdings – Business and Commercial	292	750 645 000
19	Smallholdings - Residential	1 656	2 610 576 000
20	Smallholdings - Other	886	649 067 726
21	Farms - Other	1 155	1 978 343 000
	Grand Total	604 463	439 650 235 114

In order to realise required funding and based on differential rating ratios in respect of individual categories of properties, it is proposed that residential base rate be increased by **7.5%** from **0,00796c** in 2014/15 to **0,00856c** in 2015/16, based on market value of property as reflected in the valuation roll.

Increased tariffs per rating category will be as follows:

Table 6 Comparison of proposed rates to be levied for the 2015/16 financial year

Rate Code	Category	Ratio	Current Tariff (1 July 2014)	Proposed tariff (from 1 July 2015)
1	Residential	1	0.00796	0.00856
2	Industrial	2.5	0.01989	0.02140
3	Business and Commercial	2	0.01591	0.01712
4	Agriculture	0.25	0.00199	0.00214
30	State Owned Properties	2	0.01591	0.01712
8	Municipal Properties	2	0.01591	0.01712
9	Public Services Infrastructure (PSI)	0.25	0.00199	0.00214
10	Public Service Purpose Properties (PSP)***	2		0.01712
35	Public Benefit Activity Properties***	2		0.01712
25	Private Towns	1	0.00796	0.00856
11	Informal Settlements	1	0.00796	0.00856
12	Mining and Quarries	3	0.02387	0.02568

Rate Code	Category	Ratio	Current Tariff (1 July 2014)	Proposed tariff (from 1 July 2015)
13	Vacant Land	4	0.03182	0.03424
14	Protected Areas	1	0.00796	0.00856
15	National Monuments	1	0.00796	0.00856

*** In terms of Municipal Property Rates Act amendment act, 29 of 2014, Public Service Purpose and Public Benefit Activity properties represents new categories of property with effect from 1 July 2015. The ratio of property will be based on regulation notice to be published in terms of provisions of MPRA.

The proposed rates would yield an estimated R4.307 billion in the 2015/16 financial year and is summarised as follows:

Line	Description	Budget 2014/15	Budget 2015/16
		R	R
1-01-0050	PROPERTY RATES: GOVERNMENT	12 007 840	1,658,900
1-01-0100	PROPERTY RATES: INDUSTRY/BUSINESS	1 991 976 579	2,107,181,334
1-01-0150	PROPERTY RATES: RESIDENTIAL	2 271 779 846	2,454,288,274
1-01-0200	PROPERTY RATES: SMALL HOLDING	10 369 781	11,979,078
1-01-0250	PROPERTY RATES: VACANT LAND	356 149 779	394,872,912
1-01-0300	PROPERTY RATES: OTHER	47 004 011	52,624,506
1-01-0305	PROPERTY RATES: MUNICIPAL	11 846 672	12,468,759
	TOTAL INCOME	4 701 134 508	5 035 073 763
1-55-7100	INCOME FOREGONE: EXCLUSIONS RESIDENTIAL (See Table Below)	-618 669 788	-666 627 014
1-55-7350	INCOME FOREGONE: EXCLUSIONS RELIGIOUS	-56 743 724	-60 666 410
		4,025,720,996	4,307,780,339

INCOME FOREGONE: EXCLUSIONS RESIDENTIAL

Property Value	No of Properties	Income Foregone
≤ 150 000	89 557	94,421,278
≤ 300 000	150 867	195 200 398
≤ 600 000	138 154	178 763 967
≤ 1 000 000	86 337	111 706 886
≤ 1 500 000	41 702	53 956 016
≤ 2 000 000	11 666	15 119 467
≤ 2 500 000	5 293	6 868 258
≤ 3 000 000	3 084	3 990 225
≤ 4 000 000	2 658	3 439 046
≤ 5 000 000	998	1 330 679
≤ 100 000 000	876	1 830 794
	531 192	666 627 014

EXCLUSIONS AND REBATES

With the exception of aged/pensioners' rebate, disability grantees and medically boarded persons, exclusions and rebates as per item 4 of tariff schedule will remain unchanged.

Sliding scale in respect of item 4.5 - aged/pensioners rebate, disability grantees and medically boarded persons have been amended as follows:

Average monthly earnings in respect of preceding 12 months.	
R0.00 to R2,700.00 (2 x state pensions when amended)	100 % rebate on assessment rates
R2,700.01 to R5,250.00	85% rebate on assessment rates
R5,250.01 to R6,840.00	70% rebate on assessment rates
R6,840.01 to R8,470.00	55% rebate on assessment rates
R8,470.01 to R12,750.00	40% rebate on assessment rates

1.4.2 Sale of Water and Sanitation and Impact of Tariff Increases

The sanitation tariff increase is based on the increase in purification cost as received from ERWAT. The ERWAT increase for the 2015/16 financial year is 9.5% and it is proposed that the sanitation tariff to our customers also be increased by 9.5%.

The sanitation revenue budget is increased by 19.54% in 2015/16, which is made up as follows:

FINANCIAL PERIOD	F00				F01	%	%
	ORIGINAL BUDGET	ADJUSTED BUDGET	YEAR TO DATE	PROJECTED	2015/16	B to B	P to B
INCOME	R'000	R'000	R'000	R'000	R'000		
Sanitation Income	1,233,101	1,233,101	514,669	1,278,425	1,453,907	17.91%	13.73%
Departmental Usage	32,115	32,115	5,139	33,295	35,166	9.50%	5.62%
Less: Income Foregone	269,905	269,905	89,071	269,528	299,325	10.90%	11.06%
Sub-total: Net Sanitation Sales	995,311	995,311	430,738	1,042,192	1,189,748	19.54%	14.16%

The above comparison of **budget-to-budget** indicates that sanitation revenue has increased by 17.91%, which was calculated as follows:

	Amount	%
Current Income budget	1,233,101,472	
Additional Income proposed (to be addressed in the 2014/15 Adjustment Budget)	73,198,379	6%
Adjusted Budget after proposed increase	1,306,299,851	
Plus 9.5% Increase in tariff	124,098,486	9.5%
Growth Rate	23,508,577	1.4%
Budget for 2015/16	1,453,906,914	

A water tariff increase of 14.5% is proposed. This is entirely as a result of the expected equal increase of the bulk purchases from Rand Water. However, the tariff increase has not yet been finalised and could still affect the budget of 2015/16.

South Africa faces similar challenges with regard to water supply as it did with electricity, since demand growth outstrips supply. Consequently, National Treasury is encouraging all municipalities to carefully review the level and structure of their water tariffs to ensure:

- Water tariffs are fully cost-reflective – including the cost of maintenance and renewal of purification plants, water networks and the cost associated with reticulation expansion;
- Water tariffs are structured to protect basic levels of service and ensure the provision of free water to the poorest of the poor (indigent); and
- Water tariffs are designed to encourage efficient and sustainable consumption.

During the compilation of the **current** budget for water and sanitation, provision was made for a growth rate increase of 2%. Based on the mid-year actual results it appears that the 2013/14 budgeted income of water and sanitation will exceed the budgeted income slightly. A growth rate of 1.6% is expected for 2015/16.

Table 7 Summary of tariffs: water

CATEGORY	CURRENT TARIFFS 2014/15	PROPOSED TARIFFS 2015/16
	Rand per kℓ	Rand per kℓ
RESIDENTIAL		
0 – 6 kℓ per 30-day period	0.00	0.00
7 – 15 kℓ per 30-day period	10.84	12.42
16 – 30 kℓ per 30-day period	13.28	15.21
31 – 45 kℓ per 30-day period	16.53	18.93
46 kℓ or more per 30-day period	20.38	23.34
NON-RESIDENTIAL		
0 – 5 000 kℓ per 30-day period	14.21	16.28
5 001 – 25 000 kℓ per 30-day period	14.45	16.55
25 001 > kℓ per 30-day period	15.08	17.27

The residential tariff structure is designed to charge higher levels of consumption at a higher rate, steadily increasing to a rate of R23.34 per kilolitre for consumption in excess of 45kℓ per 30-day period.

The following table shows the impact of the proposed increases in water tariffs on the water charges for a single dwelling house:

Table 8 Impact of water increases for a single dwelling house

Monthly consumption kℓ	Current amount payable R	Proposed amount payable R	Difference (Increase) R	Percentage change %
5	0.00	0.00	0.00	0.0%
10	43.36	49.68	6.32	14.5%
20	163.96	187.83	23.87	14.5%
30	296.76	339.93	43.17	14.5%
40	462.06	529.23	67.17	14.5%
50	646.61	740.58	93.97	14.5%
80	1258.01	1440.78	182.77	14.5%
100	1665.61	1907.58	247.97	14.5%

The tariffs proposed for the sanitation service are as follows:

Table 9 Summary of tariffs: sanitation

CATEGORY	CURRENT TARIFFS 2014/15	PROPOSED TARIFFS 2015/16
	Rand per kℓ	Rand per kℓ
RESIDENTIAL		
0 – 6 kℓ per 30-day period	0.00	0.00
7 – 15 kℓ per 30-day period	8.27	9.06
16 – 30 kℓ per 30-day period	3.51	3.85
31 – 45 kℓ per 30-day period	3.23	3.54
46 kℓ or more per 30-day period	2.20	2.41
NON-RESIDENTIAL		
0 – 5 000 kℓ per 30-day period	6.49	7.11
5 001 – 25 000 kℓ per 30-day period	3.46	3.79
25 000 > kℓ per 30-day period	2.25	2.47

The following table shows the impact of the proposed increases in sanitation tariffs on the sanitation charges for a single dwelling house:

Table 10 Impact of sanitation increases on a single dwelling house

Monthly consumption kℓ	Current amount payable R	Proposed amount payable R	Difference (Increase) R	Percentage change %
5	0.00	0.00	0.00	0.0%
10	33.08	36.24	3.16	9.5%
20	91.98	100.79	8.81	9.5%
30	127.08	139.29	12.21	9.5%
40	159.38	174.69	15.31	9.5%
50	186.53	204.44	17.91	9.5%
80	252.53	276.74	24.21	9.5%
100	296.53	324.94	28.41	9.5%

1.4.3 Sale of Electricity and Impact of Tariff Increases

Based on the announcement by NERSA and as addressed in NT Budget Circular No 74 municipalities were advised to structure their 2015/16 electricity tariffs on the approved 12.2% NERSA guideline tariff increase and to provide for a 14.24% increase in the cost of bulk purchases for the tabled 2015/16 budgets and MTREF.

Tariffs are not receiving any significant restructuring, hence is only increased by the allowable NERSA increases. However, NERSA has approved the following changes to the winter time-of-use peak period to overcome the misalignment between the system peak and the tariff peak, particularly in the winter period as follows:

- The morning winter peak period will be moved one hour earlier from 07:00 – 10:00 to 06:00 – 09:00.
- The evening winter peak period will be moved one hour earlier from 18:00 – 20:00 to 17:00 – 19:00.
- There is no change to the total number of peak, standard and off-peak hours.
- There are no changes to the summer peak time-of-use periods.

Only customers on time-of-use tariffs will be affected by this change

The revised tariff will be applicable as from 1 July 2015, as follows:

-	Tariff A IBT	+12.69%
-	Tariff B	+12.08%
-	Tariff C	+12.20%
-	Tariff D	+12.21%
-	Tariff E	+12.18%

An amount equal to 4% of the income is to be ring-fenced and placed in a maintenance fund that will only be used to fund critical electricity maintenance and refurbishment. At the level of increase, this maintenance fund is estimated to accumulate to a total of R484m in the 2015/16 financial year.

An amount equal to 0.25% of the income is to be ring-fenced and placed into an energy efficiency demand side management fund that will only be used to fund critical energy efficiency and demand side management projects. At this level of increase, this fund is estimated to accumulate to a total of R30.2m in the 2015/16 financial year. The fund will be used to convert council-owned assets to become energy efficient with projects such as streetlight efficiency; building efficiency and possibly the installation of solar geysers at Council owned properties.

The following table provides a brief summary of the proposed July 2015 tariff increase:

Table 11 Summary of tariff increases: electricity

	CURRENT TARIFFS 2014/15 R	PROPOSED TARIFFS 2015/16 R	% Increase
Tariff A (Business)			
Energy charge	1.56,29	1.75,36	12.22%
Tariff A (IBT) Energy charge			
A.1 Block (1 to 600 kWh)	0.83,87	0.94,51	12.69%
A.2 Block (>600 to <=700 kWh)	1.42,55	1.60,64	12.69%
A.3 Block (>700 kWh)	4.00,00	4.50,76	12.69%
A.4 Flat rate in the case of a billing system that cannot accommodate the inclining block rate.	0.86,00	0.96,91	12.69%
Tariff B (Residential and Bulk Residential) Energy charge			
Energy charge	1.27,00	1.42,34	12.08%
Tariff B (Business, Mixed business and Residential, Commercial or Industrial) Energy charge			
Energy charge (High Demand)	1.40,33	1.57,45	12.20%
Energy charge (Low Demand)	1.11,20	1.24,77	12.20%
Tariff C Energy charge			
High Demand Season			
230/400 V	1.42,65	1.60,05	12.20%
230/400 V, direct from substation	1.40,09	1.57,19	12.21%
>230/400V & <= 11kV	1.37,54	1.54,32	12.20%
Low Demand Season			

	CURRENT TARIFFS 2014/15 R	PROPOSED TARIFFS 2015/16 R	% Increase
230/400 V	0.85,52	0.95,96	12.21%
230/400 V, direct from substation	0.84,00	0.94,25	12.20%
>230/400V & < = 11kV	0.82,47	0.92,53	12.20%
Tariff D Energy charge			
High Demand Season (Peak)			
230/400 V, direct from substation	3.07,15	3.44,65	12.21%
>230/400V & < = 11kV	3.01,53	3.38,35	12.21%
>11kV	2.79,26	3.13,36	12.21%
High Demand Season (Standard)			
230/400 V, direct from substation	1.07,76	1.20,96	12.25%
>230/400V & < = 11kV	1.05,81	1.18,77	12.25%
>11kV	0.97,96	1.09,97	12.26%
High Demand Season (Off-Peak)			
230/400 V, direct from substation	0.65,00	0.72,94	12.22%
>230/400V & < = 11kV	0.63,83	0.71,63	12.22%
>11kV	0.59,13	0.66,35	12.21%
Low Demand Season (Peak)			
230/400 V, direct from substation	1.14,23	1.28,18	12.21%
>230/400V & < = 11kV	1.12,15	1.25,84	12.21%
>11kV	1.03,81	1.16,49	12.21%
Low Demand Season (Standard)			
230/400 V, direct from substation	0.74,92	0.84,09	12.24%
>230/400V & < = 11kV	0.73,54	0.82,55	12.25%
>11kV	0.68,14	0.76,48	12.24%
Low Demand Season (Off-Peak)			
230/400 V, direct from substation	0.59,13	0.66,35	12.21%
>230/400V & < = 11kV	0.58,02	0.65,10	12.20%
>11kV	0.53,71	0.60,27	12.21%
Tariff E Energy charge			
High Demand Season (Peak)			
230/400 V	4.25,37	4.77,27	12.20%
230/400 V, direct from substation	4.17,76	4.68,74	12.20%
>230/400V & < = 11kV	4.10,21	4.60,26	12.20%
>11kV	3.79,78	4.26,11	12.20%
High Demand Season (Standard)			
230/400 V	1.21,48	1.36,30	12.20%
230/400 V, direct from substation	1.19,32	1.33,88	12.20%

	CURRENT TARIFFS 2014/15 R	PROPOSED TARIFFS 2015/16 R	% Increase
>230/400V & < = 11kV	1.17,15	1.31,45	12.21%
>11kV	1.08,48	1.21,72	12.21%
High Demand Season (Off-Peak)			
230/400 V	0.71,69	0.80,44	12.21%
230/400 V, direct from substation	0.70,37	0.78,95	12.20%
>230/400V & < = 11kV	0.69,07	0.77,50	12.21%
>11kV	0.63,97	0.71,77	12.19%
Low Demand Season (Peak)			
230/400 V	1.29,34	1.45,12	12.20%
230/400 V, direct from substation	1.27,12	1.42,63	12.20%
>230/400V & < = 11kV	1.24,76	1.39,98	12.20%
>11kV	1.15,51	1.29,60	12.20%
Low Demand Season (Standard)			
230/400 V	0.84,92	0.95,28	12.19%
230/400 V, direct from substation	0.83,47	0.93,66	12.20%
>230/400V & < = 11kV	0.81,90	0.91,90	12.21%
>11kV	0.75,85	0.85,10	12.19%
Low Demand Season (Off-Peak)			
230/400 V	0.63,73	0.71,51	12.21%
230/400 V, direct from substation	0.62,65	0.70,29	12.20%
>230/400V & < = 11kV	0.61,47	0.68,96	12.18%
>11Kv	0.56,92	0.63,89	12.21%

MITIGATION MEASURE ON TARIFF A (IBT) TO PREVENT RISK TO EMM REVENUE

Free Basic Electricity, as per the May 2014 Budget Resolutions, is targeted to only low consumption customers, as from 1 June 2015. This resolution from the previous budget will be carried over to the 2015/2016 budget, unchanged.

Tariff A (IBT) is the EMM tariff suitable for lower-end users of electricity. The tariff has inclining blocks (where energy is progressively more expensive, as more energy is used) and is heavily subsidised.

The tariff places financial risk on EMM, should higher end users migrate to this pro-poor tariff. Mitigation measures are the following:

- The last block of the tariff, as in the previous financial year, is at a very high level of R4.50. This block aims to prevent higher end users from abusing this subsidized tariff. In effect, if customers use enough electricity to reach the very high block (i.e. above 700 units per calendar month), they should migrate to Tariff B;

A cost of supply study is being executed and findings will be compared to existing tariffs, for possible changes in the 2016/2017 financial year. These findings are expected to,

amongst other things, prepare EMM tariffs to mitigate against the possible revenue threats caused by renewable energy sources.

Revenue enhancement projects will see a continued focus on tampered prepayment meters (as well as protecting them), with a view to also assisting finance in achieving proposed payment levels. Revenue is also enhanced by the continual refinement of energy tariffs, derived from the analysis of Eskom supply tariffs, as well as those of other key players in the South African Energy market. Finally, back office work will see more business processes implemented and these will lead to better efficiencies and a better service to energy customers.

The following table shows the impact of the proposed increases in electricity tariffs on the electricity charges for a single dwelling house:

Table 12 Comparison between current electricity charges and increases (Domestic)

Monthly consumption kWh	Current amount payable R	Proposed amount payable R	Difference (Increase) R	Percentage change %
100 (Tariff A)	0.00	0.00	0.00	0.00%
250 (Tariff A)	125.81	141.77	15.96	12.69%
500 (Tariff B)	662.25	742.28	80.03	12.08%
750 (Tariff B)	979.75	1 098.25	118.50	12.08%
1 000 (Tariff B)	1 297.25	1 454.10	156.85	12.08%
2 000 (Tariff B)	2 567.25	2 877.50	310.25	12.08%

1.4.4 Waste Removal and Impact of Tariff Increases

The proposed tariff increase for rendering of refuse removal services and disposal services is 8%.

A tariff model was designed for waste management services that enables EMM to project tariffs necessary to achieve strategic financial objectives. The set strategic financial objective is that full cost recovery with a surplus of 12.5% of the operating budget be achieved.

Services offered by Waste Management Services Department are classified into income generating services and non-income generating services. The principle adopted in the following funding model used by EMM is that Income generating services are funded from user charges and non-income generating services are funded from equitable share.

The model takes into account the quantity and type of services that are offered and performed. The following are the steps followed to calculate the tariffs using the tariffs model.



Step 1

Set strategic/financial objective for 2015/16 financial year is full cost recovery with a surplus of more than 12.5%.

Step 2

Identify service offerings:

Income generating services

- Round collection
- Bulk container services
- Litter picking in commercial and industrial areas
- Operation and management of landfill sites

Non income generating services

- Mini refuse disposal sites/transfer stations
- Litter picking –all areas excluding commercial and industrial areas
- Rehabilitation of old disposal sites
- Removal of illegal dumping

Step 3

Identify all associated revenue and expenditure

Description R'000	2014/15 Budget	2015/16 Budget	% Increase
TOTAL INCOME	(R1 639 464)	(R1 755 906)	7.10%
TOTAL EXPENDITURE	R1 400 377	R1 525 700	11.01%
OFFSET DEPRECIATION	(R9 106)	(R6 830)	-25%
TRANSFER TO GOV. GRANT RES: USDG	R4 600	R0	-100%
SURPLUS	(R139 596)	(R237 035)	69.8%

Step 4

Project revenue and expenditure using assumptions

- All income and expenditure was allocated to their respective income and cost centres
- Growth rates for each and every revenue and expenditure were derived

Assumptions

- Inflation projection 5.8%
- Growth in number of consumers – 1.6%
- Growth in tonnages landfill – 1%
- Direct operating costs - 7% increases

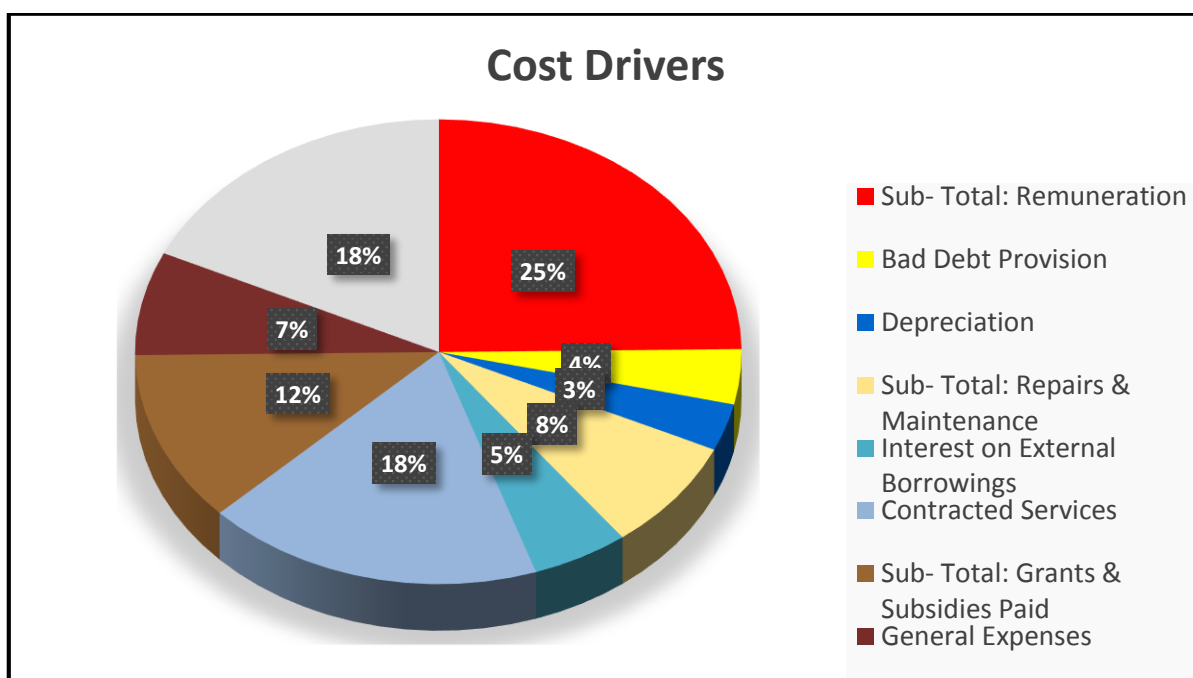
Step 5

Use the automated model to calculate the required tariff.

Once all required data is inputted into the model, the model will automatically calculate an average tariff increase across all categories for 10 years into the future from base year.

Cost Drivers

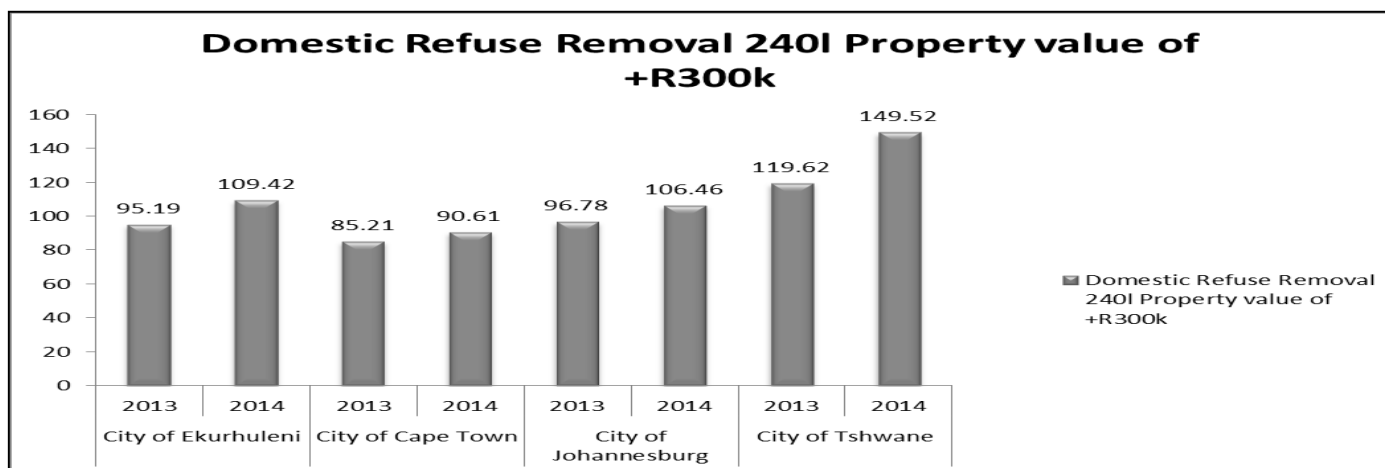
The chart below gives a breakdown of the total operating budget for the Department.



Comparison with other Metros

A comparative analysis with other municipalities for a refuse collection service for residential and business service was conducted. For residential it is evident that EMM is comparable to other municipalities however for business and bulk container services we are slightly higher. It is however difficult to compare the tariffs as different municipalities use different tariff structures and funding models to arrive at a proposed tariff.

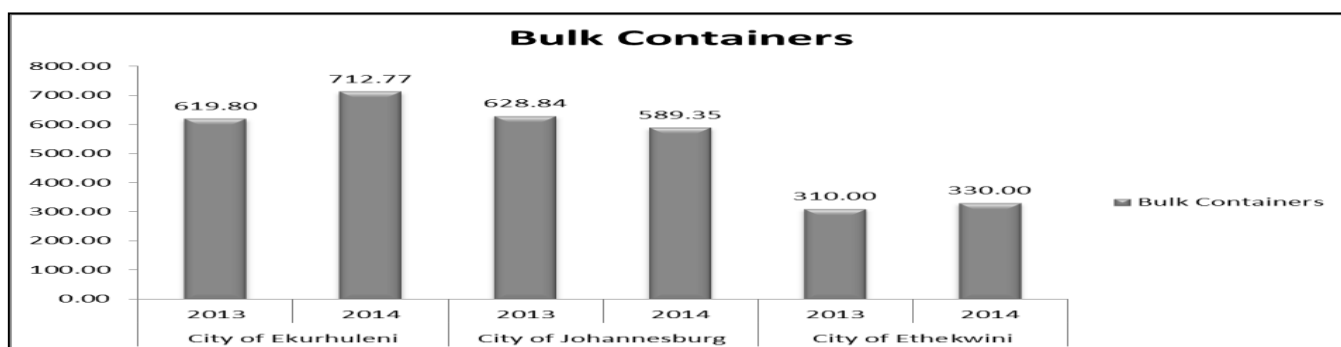
Domestic refuse removal:



Business refuse removal:



Bulk containers:



The following table compares current and proposed amounts payable from 1 July 2015:

Table 13 Comparison between current waste removal fees and increases

Residential Stand Size (for Bags Removal)	CURRENT TARIFFS FOR 2014/15	PROPOSED TARIFFS FOR 2015/16	INCREASE	%
Property Value BELOW R300 000				
0 - 300 m ² (Properties with value of R300 000 and less)	R82.93	R89.56	R6.63	8%
Property Value ABOVE R300 000				
0 - 300 m ²	R97.57	R105.38	R7.81	8%
301 - 600 m ²	R114.92	R124.11	R9.19	8%
601 - 900 m ²	R128.25	R138.51	R10.26	8%
901 - 1200 m ²	R141.64	R152.97	R11.33	8%
1 201 - 1 500 m ²	R163.92	R177.03	R13.11	8%
1 501 - 2 000 m ²	R186.21	R201.11	R14.90	8%
2 000 m ² +	R208.47	R225.15	R16.68	8%
Residential Stand Size (for 240l Bins Removal)	CURRENT TARIFFS FOR 2014/15	PROPOSED TARIFFS FOR 2015/16	INCREASE	%
Property Value BELOW R300 000				
0 - 300 m ² (Properties with value of R300 000 and less)	R97.57	R105.38	R7.81	8%
Property Value ABOVE R300 000				
0 - 300 m ²	R114.92	R124.11	R9.19	8%
301 m ² +	R120.36	R129.99	R9.63	8%

1.4.5 Other Tariff Increases

The Finance Department has embarked on a process to compile a consolidated report of all sundry tariffs of all the departments. The tariffs were determined by departments and consolidated by the Finance Department. Sundry tariff increases were guided by the CPI rate in most cases. In cases where the increase is not in line with the CPI rate, brief comments/motivations from departments were included.

Table 14 Summary of the Sundry Tariff Increases

NAME OF TARIFF AND SCHEDULE NO.	CURRENT TARIFFS INCREASES 2014/15	PROPOSED INCREASES 2015/16	COMMENTS
Financial Services (Schedule 6)	Avg. 5.5% (Ranges between 4.3%-6.7%)	7%	
Building Plans & Related Services (Schedule 7)	Avg. 7.5% (Ranges between 4% - 11.04%)	Avg. 5.5% (Ranges between 3.8% - 8%)	
Roads Related Services (Schedule 8)	5.5%	5.5%	

NAME OF TARIFF AND SCHEDULE NO.	CURRENT TARIFFS INCREASES 2014/15	PROPOSED INCREASES 2015/16	COMMENTS
EMPD Services (Schedule 9)	6%	Ranges between 6% and 47 %	Towing services were charged at a very low rate which is a loss to Council as there are costs that are incurred such as payment of security services rendered at each pound, staff salaries and overtime. Training and firearms services were not benchmarked with the market prices, therefore the Department was offering services at deficit. The proposed training and firearms tariffs are in line with the price the market is currently charging. Traffic control and assistance tariffs were also standardised with other Metro Police Departments.
Transport Planning (Schedule 10)	6%	15%	The toll of road carnage due to driver negligence in allocating loads on vehicles led the Municipality to come with innovations in order to curb such by introducing and implementing latest technology in the field at a cost of 2.9m. These new technology calls for regular calibration and periodic maintenance at a cost. Our Weighbridges around the City charge far less price than private weighbridges and therefore there is a need to increase the tariff in order to be market related.
Disaster Management Services (Schedule 11)	5.5%	6%	
Emergency Services (Schedule 12)	7.5%	7.2%	
Libraries & Information Services (Schedule 13)	No increase	No increase	No tariff increase proposed for this financial year due to the fact that not all systems are in place to render the service to full capacity.
Library Auditorium (Schedule 14)	No increase	No increase	The tariffs for the auditoriums should be kept unchanged due to the following reasons: 1) There are several restrictions on the usage of the auditoria i.e. all events held there should be offered for free or at a minimal cost. 2)The auditoria can only be used for certain purposes e.g. educational, and also only during library hours, which proves to be cost effective
		No increase	No tariff increase proposed for Arts Culture and Heritage facilities due to the

NAME OF TARIFF AND SCHEDULE NO.	CURRENT TARIFFS INCREASES 2014/15	PROPOSED INCREASES 2015/16	COMMENTS
Arts, Culture & Heritage (Schedule 15)	5.9%, however no increase for all Art Centre tariffs		fact that the high increase of Art, Culture and Heritage facility tariffs has resulted in a drastic decrease in the revenue and usage of such facilities
Sports & Recreation (Schedule 16)	No increase	No increase	No tariff increase proposed for Sport and Recreation facilities due to the fact that the high increase of Sport and Recreation facility tariffs has resulted in a drastic decrease in the revenue and usage of the Sport and Recreation facilities.
Removal of Street (Schedule 17)	100%	25%	A growing number of our valuable street trees are being removed by residents and unscrupulous developers without proper permissions being sourced. The fines issued by EMPD is not sufficient and presents a cheaper alternative to following correct procedures. Trees assist in sustaining human life. Hence the trees that we have need to be protected against all odds and the 25% increase in tariffs assists in protecting our trees and efforts in greening the environment.
Cemeteries & Crematoriums (Schedule 18)	No increase	No increase	
Advertising Signs (schedule 19)	Avg. 5% (Ranges between 4% - 6%)	5%	
City Planning (schedule 20)	Avg. 5.5% (Ranges between 5% - 6%)	5%, No increase on Land use	No amendments on Land Use management tariffs will be made as the Ekurhuleni Scheme is not in operation yet.
Environmental Health Services (schedule 22)	5.7%	6.4%	
Municipal Bus Services (schedule 23)	Avg. 14% (Ranges between 7.5% - 29.63%)	Avg. 8.9% (Ranges between 6.67% -11.11%)	
Hire of or use of Parks Facilities (schedule 24)	6.7%	No Increase	
Real Estate (schedule 25)	Avg. 5% (Ranges between 4% - 6%)	5.6%	

1.4.6 Overall impact of tariff increases on households

The following table shows the overall expected impact of the tariff increases on a large and small household, as well as an indigent household receiving free basic services.

Table 15 MBRR Table SA14 – household bills

EKU Ekurhuleni Metro - Supporting Table SA14 Household bills										
Description	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework			
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16 % incr.	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
Rand/cent										
Monthly Account for Household - 'Middle Income Range'										
Rates and services charges:										
Property rates	316.25	339.17	351.89	378.28	378.28	378.28	7.5%	406.65	447.32	492.05
Electricity: Basic levy	21.04	23.36	25.35	27.25	27.25	27.25	12.2%	30.58	34.31	38.50
Electricity: Consumption	978.00	1,086.00	1,180.00	1,270.00	1,270.00	1,270.00	12.1%	1,423.40	1,597.05	1,791.95
Water: Basic levy	-	-	-	-	-	-	-	-	-	-
Water: Consumption	227.55	249.78	274.38	296.76	296.76	296.76	14.5%	339.93	372.22	407.58
Sanitation	98.76	109.29	117.60	127.08	127.08	127.08	9.5%	139.21	152.44	166.92
Refuse removal	91.94	105.73	116.59	128.25	128.25	128.25	8.0%	138.51	149.59	161.56
Other	-	-	5.00	-	-	-	-	-	-	-
sub-total	1,733.54	1,913.33	2,070.81	2,227.62	2,227.62	2,227.62	11.3%	2,478.28	2,752.92	3,058.55
VAT on Services	198.42	220.38	240.65	258.91	258.91	258.91	12.0%	290.03	322.78	359.31
Total large household bill:	1,931.96	2,133.71	2,311.46	2,486.53	2,486.53	2,486.53	11.3%	2,768.31	3,075.71	3,417.86
% increase/-decrease		10.4%	8.3%	7.6%	-	-	11.3%	11.1%	11.1%	11.1%
Monthly Account for Household - 'Affordable Range'										
Rates and services charges:										
Property rates	201.25	215.83	235.45	253.11	253.11	253.11	7.5%	272.09	299.30	329.23
Electricity: Basic levy	-	-	-	-	-	-	-	-	-	-
Electricity: Consumption	415.70	422.82	394.50	335.48	335.48	335.48	12.7%	378.04	424.16	475.91
Water: Basic levy	-	-	-	-	-	-	-	-	-	-
Water: Consumption	176.75	193.88	212.98	230.36	230.36	230.36	14.5%	263.87	288.95	316.40
Sanitation	85.31	94.19	101.35	109.53	109.53	109.53	9.5%	119.93	131.33	143.81
Refuse removal	91.94	105.73	116.59	128.25	128.25	128.25	8.0%	138.51	149.59	161.56
Other	-	-	5.00	-	-	-	-	-	-	-
sub-total	970.95	1,032.45	1,065.87	1,056.73	1,056.73	1,056.73	11.0%	1,172.44	1,293.33	1,426.90
VAT on Services	118.02	114.33	116.26	112.51	112.51	112.51	12.0%	126.05	139.16	153.67
Total small household bill:	1,088.97	1,146.78	1,182.13	1,169.24	1,169.24	1,169.24	11.1%	1,298.49	1,432.50	1,580.58
% increase/-decrease		5.3%	3.1%	(1.1%)	-	-	11.1%	10.3%	10.3%	10.3%
Monthly Account for Household - 'Indigent' Household receiving										
Rates and services charges:										
Property rates	-	-	-	-	-	-	-	-	-	-
Electricity: Basic levy	-	-	-	-	-	-	-	-	-	-
Electricity: Consumption	244.50	187.73	197.25	125.81	125.81	125.81	12.7%	141.77	159.06	178.47
Water: Basic levy	-	-	-	-	-	-	-	-	-	-
Water: Consumption	100.90	110.62	121.52	131.44	131.44	131.44	14.5%	150.56	164.80	180.45
Sanitation	52.39	57.76	62.15	67.17	67.17	67.17	9.5%	73.55	80.54	88.19
Refuse removal	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-
sub-total	397.79	356.11	380.92	324.42	324.42	324.42	12.8%	365.88	404.39	447.11
VAT on Services	55.69	49.86	53.33	45.42	45.42	45.42	12.8%	51.22	56.62	62.60
Total small household bill:	453.48	405.97	434.25	369.83	369.83	369.83	12.8%	417.10	461.01	509.70
% increase/-decrease		(10.5%)	7.0%	(14.8%)	-	-	12.8%	10.5%	10.6%	10.6%

Cognisance must be taken of the following factors affecting the average monthly household bills as indicated in the above schedule:

- In the above example, the overall impact of tariff increases on household bills will increase between 11.1% and 12.8%. The estimated increases in the outer years are reflected in the above table as well.
- The calculation with regard to electricity is based on the assumption that Tariff B would be applicable for middle income households. These households are not entitled to free basic electricity (FBE). Tariff A (IBT) is applicable for the affordable and indigent households in the above example. Affordable households are also not entitled to FBE in terms of the FBE policy. However, indigent households will still be entitled to 100kwh FBE.
- All consumers receive 6kl of water free, whilst indigents receive 9kl of water free.
- It is a concern that according to the above table it appears the low income residents will face the higher increase. That is merely because of the water and electricity tariff increases that is higher than 12%.

1.5 Operating Expenditure Framework

The metro's expenditure framework for the 2015/16 budget and MTREF is informed by the following:

- The asset renewal and the repairs and maintenance requirements as identified in the backlog study.
- Balanced budget constraint (operating expenditure should not exceed operating revenue) unless there are existing, uncommitted, cash-backed reserves to fund any deficit.
- Funding of the budget over the medium-term, as informed by Section 18 and 19 of the MFMA.
- The capital programme is aligned to the asset renewal needs and backlog eradication goals.
- The prioritisation of capital needs was based on the Capital Investment Framework.
- Operational gains and efficiencies will be directed to funding the Capital Budget and other core services.
- Strict adherence to the principle of *no project plans no budget*. If there is no business plan no funding allocation can be made.
- Applying the guidance from NT of "*doing more for less*" and the broad principle raised by the Minister of Finance in his Mid Term Budget Speech of "*Building the capacity of local government through the **back to basics** approach*"

The following table is a high level summary of the 2015/16 budget and MTREF (classified per main type of operating expenditure):

Table 16 Summary of operating expenditure by standard classification item (Table A4)

EKU Ekurhuleni Metro - Table A4 Budgeted Financial Performance (revenue and expenditure)										
Description	2011/12	2012/13	2013/14	Current Year 2014/15				2015/16 Medium Term Revenue & Expenditure Framework		
R thousand	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
Expenditure By Type										
Employee related costs	4,109,532	4,967,529	5,432,135	5,446,788	5,339,084	5,244,671	5,244,671	5,947,487	6,368,349	6,745,350
Remuneration of councillors	79,406	87,955	94,141	101,919	101,919	101,919	101,919	108,849	115,924	122,880
Debt impairment	1,442,008	887,675	1,343,750	1,230,204	1,230,204	1,230,204	1,230,204	1,435,562	1,507,341	1,627,928
Depreciation & asset impairment	1,984,750	2,127,829	1,978,922	1,431,820	1,431,820	1,431,820	1,431,820	1,629,161	1,847,089	2,197,649
Finance charges	453,418	522,866	572,960	706,964	670,458	592,297	592,297	763,197	858,597	965,921
Bulk purchases	7,930,516	8,852,864	9,485,711	10,290,877	10,377,002	10,224,522	10,224,522	11,827,223	13,355,460	15,053,868
Other materials	1,737,189	1,172,046	1,336,283	2,355,214	2,479,575	2,345,351	2,345,351	2,719,615	3,010,473	3,273,238
Contracted services	684,663	685,955	685,925	902,139	896,749	747,599	747,599	908,808	958,792	1,035,496
Transfers and grants	426,285	960,645	1,060,444	1,048,821	1,049,945	970,399	970,399	1,112,987	1,235,472	1,360,401
Other expenditure	1,197,375	979,969	1,217,356	2,655,071	2,889,428	2,859,111	2,859,111	2,853,982	2,968,466	3,130,738
Loss on disposal of PPE	21,039	15,256	721	25,000	25,000	25,000	25,000	15,000	15,000	15,000
Total Expenditure	20,066,181	21,260,588	23,208,349	26,194,817	26,491,184	25,772,893	25,772,893	29,321,872	32,240,963	35,528,468
Surplus/(Deficit)	(533,819)	(125,667)	340,258	115,883	115,884	718,169	718,169	132,967	158,211	271,698
Transfers recognised - capital	1,272,382	1,108,485	1,516,157	2,003,181	2,043,763	2,004,918	2,004,918	1,975,556	2,200,480	2,365,934
Contributions recognised - capital	-	-	-	-	-	-	-	-	-	-
Contributed assets	-	-	-	(113,000)	(113,000)	(113,000)	(113,000)	(130,000)	(150,000)	(250,000)
Surplus/(Deficit) after capital transfers & contributions	738,563	982,818	1,856,415	2,006,064	2,046,647	2,610,087	2,610,087	1,978,523	2,208,690	2,387,632
Taxation										
Surplus/(Deficit) after taxation	738,563	982,818	1,856,415	2,006,064	2,046,647	2,610,087	2,610,087	1,978,523	2,208,690	2,387,632
Attributable to minorities										
Surplus/(Deficit) attributable to municipality	738,563	982,818	1,856,415	2,006,064	2,046,647	2,610,087	2,610,087	1,978,523	2,208,690	2,387,632
Share of surplus/ (deficit) of associate										
Surplus/(Deficit) for the year	738,563	982,818	1,856,415	2,006,064	2,046,647	2,610,087	2,610,087	1,978,523	2,208,690	2,387,632

The budgeted allocation for employee related costs **and** remuneration of Councillors for the 2015/16 financial year totals R6.1 billion, which represents 20.33% of the total operating expenditure. The 2015/16 salary budget increased by 11.16%, which is made up as follows:

	R
Salary Budget for 2014/15	5,548,706,224
Minor adjustments	(24,681,839)
General Salary Increase of 6.8%	377,312,023
Provision for new positions and Institutional Review	155,000,000
Salary Budget for 2015/16	6,056,336,408

An amount of R155m has been provided for new positions in the 2015/16 financial year. The purpose of the funds provided is to accommodate additional personnel for the extension of services (like new clinics or fire stations) for an amount of R55 m. Another R100m is provided for the roll-out of the Institutional Review.

A detailed analysis is supplied with the discussion regarding employee related costs as set out in MBRR Tables SA22 - 24 in this document.

The cost associated with the remuneration of councillors is determined by the Minister of Co-operative Governance and Traditional Affairs in accordance with the Remuneration of Public Office Bearers Act, 1998 (Act 20 of 1998). The most recent proclamation in this regard has been taken into account in compiling the metro's budget. An increase of 6.8% has been provided in the 2015/16 financial year.

The **provision of debt impairment** was determined based on an annual collection rate of 93% and the principles as set out in the Provision for Doubtful Debt and Debt Write-off Policy. For the 2015/16 financial year this amount equates to R1.44 billion and escalates to R1.68 billion by 2017/18.

Provision for depreciation and asset impairment has been informed by the municipality's Asset Management Policy. Depreciation is widely considered a proxy for the measurement of the rate asset consumption. Budget appropriations in this regard total R2.093 billion for the 2015/16 financial and represents 7.07% of the total operating expenditure.

Interest on External Loans and Borrowings make up 2.56% (R763 m) of operating expenditure excluding annual redemption for 2015/16 and increases to almost R1 billion by 2017/18.

Bulk purchases are directly informed by the purchase of electricity from Eskom and water from Rand Water. The annual price increases have been factored into the budget appropriations and directly inform the revenue provisions. The expenditures include distribution losses.

The bulk purchases from water is reflecting an increase of 13.78% from the current Adjustment Budget to the 2015/16 financial year. The amount was calculated as follows:

	R
Bulk Water Purchases Budget for 2014/15	2,153,380,465
Increase of Bulk Purchases for current 2014/15 Year as presented in the Adjustment Budget	86,135,220
Subtotal – Revised Budget for 2014/15	2,239,515,685
Plus Estimated Increase in Bulk for 2015/16 of 14.5%	324,729,774
Plus Growth Rate increase of 1.6%	41,027,927

	R
Total Amount Required for 2015/16 before improvement of efficiency	2,605,273,386
Less Reduction of bulk as a result of improvement of efficiency in the maintenance of the water network (approximately 2% improvement)	(57,131,388)
Budget for 2015/16	2,548,141,998

Repairs and Maintenance comprise of, amongst others, the purchase of materials for maintenance, staff cost of dedicated maintenance personnel and the appointment of external contractors to perform maintenance works. In line with the metro's repairs and maintenance plan this group of expenditure has been prioritised to ensure sustainability of the metro's infrastructure. For 2015/16 the appropriation against this group of expenditure is R2.72 billion which represents 9.13% of the total operating expenditure. The budget was therefore increased with 15.47% from the Original Budget of 2014/15.

As part of the compilation of the 2015/16 MTREF **contracted services** expenditure totalled R909m, which is 3.05% of the total operating expenditure. This represents an increase of 3.33% from the 2014/15 Adjustment Budget.

The following table gives a breakdown of the main expenditure categories for the 2015/16 financial year.

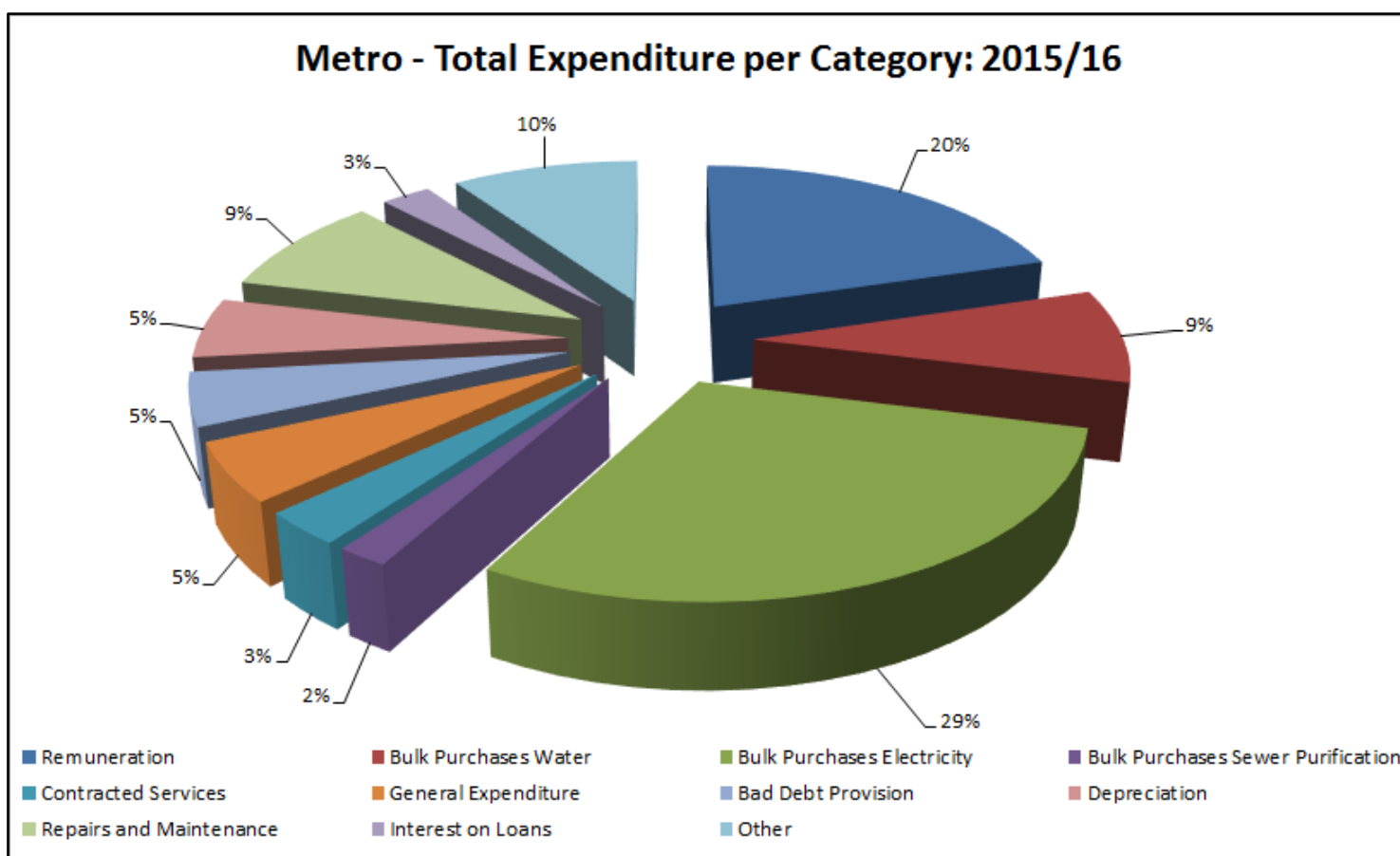


Figure 1 Main operational expenditure categories for the 2015/16 financial year

1.5.1 Repairs and maintenance

Aligned to the priority given to preserving and maintaining the metro's current infrastructure, the 2015/16 budget and MTREF provide for growth in the area of asset maintenance, as informed by the asset renewal and repairs and maintenance requirements of the metro. In terms of the Municipal Budget and Reporting Regulations, operational repairs and maintenance is not considered a direct expenditure driver but an outcome of certain other expenditures, such as remuneration, purchases of materials and contracted services. The following table is extracted from MBRR Table SA1 to reflect the amount provided for repairs and maintenance in context with the amounts provided for PPE, depreciation and the renewal of assets:

Table 17 Operational repairs and maintenance

EKU Ekurhuleni Metro - Supporting Table SA1 Supporting detail to 'Budgeted Financial Performance'										
Description	2011/12	2012/13	2013/14	Current Year 2014/15				2015/16 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
R thousand										
Repairs and Maintenance by Expenditure Item										
Employee related costs	-	667,910	665,518	725,195	725,195	687,089	687,089	773,950	824,257	873,712
Other materials	1,737,189	504,136	670,765	1,630,019	1,754,380	1,658,262	1,658,262	1,945,665	2,186,216	2,399,526
Contracted Services	-	-	-							
Other Expenditure	-	-	-							
Total Repairs and Maintenance Expenditure	1,737,189	1,172,046	1,336,283	2,355,214	2,479,575	2,345,351	2,345,351	2,719,615	3,010,473	3,273,238

The table below provides a breakdown of repairs and maintenance in relation to asset class as summarised from MBRR SA34c:

Table 18 Consolidated repairs and maintenance by asset class

Eku Ekurhuleni Metro - Supporting Table SA34c Repairs and maintenance expenditure by asset class									
Description	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
R thousand	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
Repairs and maintenance expenditure by Asset Class/Sub-class									
Infrastructure	1,377,514	846,272	972,855	1,768,203	1,885,282	1,706,480	2,047,175	2,239,368	2,445,979
Infrastructure - Road transport	392,310	228,239	248,973	477,973	477,486	279,767	540,535	588,821	640,689
Roads, Pavements & Bridges	360,101	206,858	240,419	441,082	432,495	232,117	483,981	527,743	574,882
Storm water	32,209	21,381	8,554	36,891	44,991	47,649	56,554	61,077	65,807
Infrastructure - Electricity	582,466	401,513	465,127	795,636	796,610	920,828	883,107	974,694	1,074,943
Transmission & Reticulation	534,461	386,003	448,503	736,695	737,669	850,550	820,889	907,541	1,002,674
Street Lighting	48,005	15,510	16,624	58,941	58,941	70,278	62,217	67,152	72,270
Infrastructure - Water	263,802	133,551	113,380	343,483	371,713	293,907	374,350	405,760	437,955
Reticulation	263,802	133,551	113,380	343,483	371,713	293,907	374,350	405,760	437,955
Infrastructure - Sanitation	85,982	25,655	89,576	83,103	171,465	140,319	187,805	203,804	220,800
Reticulation	85,982	25,655	89,576	83,103	171,465	140,319	187,805	203,804	220,800
Infrastructure - Other	52,953	57,315	55,799	68,007	68,007	71,659	61,379	66,289	71,592
Waste Management	52,953	57,315	55,799	68,007	68,007	71,659	61,379	66,289	71,592
Community	43,852	51,307	65,264	85,528	98,176	116,580	109,173	149,124	159,209
Parks & gardens	11,968	15,260	14,490	19,661	19,661	26,413	10,541	11,357	12,241
Sportsfields & stadia	2,361	2,452	3,088	7,908	8,192	4,451	2,650	2,796	2,950
Swimming pools	649	521	430	569	1,389	1,623	780	823	868
Community halls	5,846	4,460	4,983	5,814	6,322	9,474	6,201	6,542	6,902
Libraries	1,815	718	734	982	1,556	2,452	1,210	1,276	1,347
Recreational facilities	160	127	108	156	137	161	105	111	117
Fire, safety & emergency	1,400	882	13,517	14,409	23,409	20,778	17,554	18,520	19,538
Security and policing	276	117	318	526	526	-	558	589	621
Buses	12,743	10,188	11,496	16,558	16,558	24,646	33,654	68,670	73,470
Clinics	10	650	337	-	1,181	2,918	835	881	930
Museums & Art Galleries	5	283	109	-	-	224	920	971	1,024
Cemeteries	972	-	-	-	-	-	12,122	13,335	14,668
Social rental housing	5,647	15,649	15,655	18,944	19,244	23,440	22,041	23,254	24,533
Heritage assets	100,420	90,443	109,921	229,015	222,895	173,605	234,166	266,757	286,703
Other	100,420	90,443	109,921	229,015	222,895	173,605	234,166	266,757	286,703
Investment properties	22,401	25,615	26,772	26,638	26,638	33,424	30,239	33,868	37,932
Other	22,401	25,615	26,772	26,638	26,638	33,424	30,239	33,868	37,932
Other assets	193,002	158,410	161,470	245,830	246,583	315,262	298,862	321,357	343,416
General vehicles	70,750	58,060	60,408	106,677	105,208	118,549	117,805	127,083	136,978
Specialised vehicles	35,675	33,197	33,089	47,688	47,679	64,541	50,386	54,069	57,982
Computers - hardware/equipment	67,071	48,830	48,763	72,525	72,075	102,294	108,000	113,940	120,207
Furniture and other office equipment	16,641	17,689	18,749	18,129	19,496	27,720	21,877	25,427	27,365
Civic Land and Buildings	2,865	635	461	810	2,126	2,158	794	838	884
Total Repairs and Maintenance Expenditure	1,737,189	1,172,046	1,336,283	2,355,214	2,479,574	2,345,351	2,719,615	3,010,473	3,273,238
Specialised vehicles	35,675	33,197	33,089	47,688	47,679	64,541	50,386	54,069	57,982
Refuse	28,373	27,124	26,841	37,087	37,110	51,647	38,888	41,913	45,145
Fire	7,301	6,073	6,247	10,602	10,569	10,693	10,045	10,621	11,217
Conservancy	-	-	-	-	-	-	-	-	-
Ambulances	-	-	-	-	-	2,200	1,454	1,535	1,620
R&M as a % of PPE	4.1%	2.7%	3.1%	4.7%	5.0%	5.4%	5.9%	6.1%	6.3%
R&M as % Operating Expenditure	8.7%	5.5%	5.8%	9.0%	9.4%	9.1%	9.3%	9.3%	9.2%

The amount budgeted for repairs and maintenance in the 2014/15 financial year represents 4.7% of the value of Property, Plant and Equipment (see table above). Due to the significant increase in the R&M budget, this percentage will increase to **5.9% in 2015/16**. This is a significant improvement in order to reach the NT target of 8%.

For the 2015/16 financial year 75 % or R2.046 billion of repairs and maintenance will be spent on infrastructure assets.

Electricity infrastructure has received a significant proportion of the infrastructure allocation, totalling R883m, followed by road infrastructure at R541m, water at R374m and sanitation for R188 m.

Community assets have been allocated R109m of total repairs and maintenance equating 4% of total repairs and maintenance.

Social Rental Housing was allocated R22m and this forms part of Community assets.

The amount of R295m (11 % of total repairs and maintenance) for other assets, relates mainly to the repairs and maintenance of vehicles, IT equipment and Council buildings.

1.5.2 Free Basic Services: Basic Social Services Package

Council renders free basic services (FBS) to residents, and services grants based on certain conditions. FBS imply the service is rendered for free to all residents. It means a resident does not need to apply for the free service.

The cost of FBS is regarded as “Income Forgone” and the cost is deducted from the income of the relevant service. In other words, it would have been income but Council opted not to charge residents for the service rendered.

Various grants or rebates are allocated to residents based on their specific socio-economic circumstances. Such grants and rebates are only supplied if the terms and conditions are adhered to. As these grants or rebates are not applicable to all residents, it is not treated like FBS (and subsequently deducted from the income budget), but is recorded in the budget as a grant expenditure item in the expenditure of the budget.

The following table reflects the costs of the FBS and grants and rebates:

Table 19 Cost of Free Basic Services and Indigents

Description R'000		Actuals 2013/2014	Amended Budget 2014/15	Projections	Budget 2015/16	% Increase	Budget 2016/17	% Increase	Budget 2017/18	% Increase
Service										
Assessment Rates	Income Forgone: R150K Rate Exclusions	563,345	611,894	611,894	666,627	8.94%	753,289	13.00%	836,150	11.00%
Assessment Rates	Income Forgone: Exclusions Religious	52,431	57,031	57,031	60,666	6.37%	68,553	13.00%	76,094	11.00%
Sanitation	Income Forgone: Sanitation 6KI	259,066	269,905	269,905	299,325	10.90%	327,760	9.50%	357,259	9.00%
Water	Income Forgone: Water 6KI	349,416	357,300	357,300	414,111	15.90%	455,522	10.00%	496,519	9.00%
	TOTAL FREE BASIC SERVICES	1,224,258	1,296,130	1,296,130	1,440,729	11.16%	1,605,124	11.41%	1,766,022	10.02%
Assessment Rates	Grants: Indigent Rates	25,740	135,700	138,808	34,277	-74.74%	38,734	13.00%	42,994	11.00%
Electricity	Grants: Free Basic Electricity	178,502	191,600	209,861	186,366	-2.73%	208,730	12.00%	233,777	12.00%
Electricity	Eskom: Free Basic Electricity	61,104	69,537	82,628	69,537	0.00%	77,882	12.00%	87,227	12.00%
Other	Tankering of Water	12,778	19,100	11,306	20,055	5.00%	21,158	5.50%	22,322	5.50%
Refuse	Refuse Removal: Informal Settlements	160	11,376	9,021	20,000	75.80%	21,600	8.00%	23,328	8.00%
Sanitation	Grants: Sanitation 3KI	9,604	31,791	25,628	35,256	10.90%	38,605	9.50%	42,080	9.00%
Water	Grants: Water 3KI	12,579	41,640	33,351	48,260	15.90%	53,086	10.00%	57,864	9.00%
Water	Excess Consumption	342,237	375,460	309,224	363,460	-3.20%	410,710	13.00%	455,888	11.00%
	TOTAL GRANTS: INDIGENTS	642,705	876,205	819,827	777,212	-11.30%	870,505	12.00%	965,481	10.91%
Assessment Rates	Grants: Pensioner Rebate	37,837	41,919	48,396	44,816	6.91%	50,642	13.00%	56,213	11.00%
Assessment Rates	Grants: Rates (Other)	27,851	30,069	40,630	31,267	3.98%	35,331	13.00%	39,218	11.00%
Refuse	Grants: Refuse Removal	38,241	38,934	37,139	157,885	305.52%	170,516	8.00%	184,157	8.00%
Refuse	Grants: Refuse Removal	28,855	–	–	–	0.00%	–	–	–	0.00%
	TOTAL GRANTS: SOCIAL CONTRIBUTIONS	132,784	110,922	126,165	233,968	110.93%	256,489	9.63%	279,588	9.01%
	TOTAL: FREE BASIC SERVICES AND GRANTS	1,999,747	2,283,257	2,242,122	2,451,909	7.39%	2,732,118	11.43%	3,011,091	10.21%

The total cost of FBS and grants and subsidies as budgeted in 2015/16 amounts to R2.5 billion.

Cognisance must be taken that in addition to the above recognised costs, there are some other grants not recorded as expenditure line items, such as:

- Water rendered to informal settlements is not metered and therefore not included. Costs to this effect form part of cost for unaccounted water, which the department is addressing.
- Electricity supply to all Tariff A users is heavily subsidised and sold below cost to residents. The cost to subsidise the tariff is not included in the above table.
- The provision of chemical toilets to informal settlements is not included because the cost thereof is funded by USDG.
- The Council's Indigent Policy prescribes various concessions to registered indigents on sundry services, such as cemetery fees, use of halls and community centres, ambulance and emergency fees, etc.

Further detail relating to FBS, the cost of FBS, revenue lost owing to FBS and basic service delivery measurement is contained in Table 31 MBRR A10 (Basic Service Delivery Measurement) on page 82.

1.6 Capital expenditure

The evaluation of the project proposals was based on the following key criteria:

- Compliance with Capital Investment Framework (CIF) – projects was evaluated by the City Planning Department.
- Compliance with the USDG Framework and Housing Strategy – projects were evaluated by the Human Settlements.

- Economic impacts of projects - projects were evaluated by the Economic Development Department.

The Capital Budget will be funded as follows:

- **USDG grant** – allocations as per the 2015 Division of Revenue Act (DoRA)) - based on housing department's integrated planning and funding strategy and in compliance with the USDG framework.
- **Other grant funding** - allocation of all the external funds as per the 2015 Division of Revenue Act (DoRA) and the Provincial gazette - to fund social projects that will not necessarily generate revenue.
- **External Loans** - to fund economic infrastructure that will stimulate economic growth and job creation.
- **Cash generated from revenue** - to fund movable assets.
- **Capital Replacement Reserve** – to fund immovable assets.

The capital programme is aligned to asset renewal needs and backlog eradication goals and 44% of the total capital amount will be utilised for asset renewals. Operational gains and efficiencies will be directed to funding the Capital Budget. Strict adherence to the principle of no project plans no budget, if there is no business plan, no funding allocation can be made.

Projects already approved and already commenced with that have to be completed during the 2015/16 to 2017/18 financial period were allocated funding as per the approved MTREF.

Projects previously approved in the 2014/15 to 2016/17 MTREF but not yet planned nor commenced with, were subjected to departmental project prioritisation taking changed priorities and service delivery pressures into account.

Projects were subjected to project prioritisation based on a capital prioritisation model that is informed by the Capital Investment Framework to be used in 2015/16 financial year (and beyond) budget preparation. The various categories in the project prioritisation model carry the following budget requests:

Economic development	– R1,028,343,621 (23.00%)
Upgrading and renewal	– R1, 970,120,341 (44.06%)
Urban restructuring	– R1, 473,099,465 (32.94%)

The National Treasury has set a benchmark of 39% - 40% of the Capital Budget to be spent on renewal projects and this was taken into account. This budget allocates 44% for asset renewals.

Impact of proposed projects on the operational budgets of future years was evaluated. It is not sustainable to construct facilities where there are not sufficient operating funds available to operationalise the facilities.

The following table provides a breakdown of budgeted capital expenditure by vote:

Table 20 2015/16 Medium-term Capital Budget per vote

Vote description	Current Year 2014/15		2015/16 Medium Term Revenue & Expenditure Framework					
	Adjusted Budget	%	Budget Year 2015/16	%	Budget Year +1 2016/17	%	Budget Year +2 2017/18	%
R Thousand								
Chief Operating Officer	130,000	0.00%	630,000	0.01%	180,000	0.00%	180,000	0.00%
City Manager	270,000	0.01%	1,230,000	0.03%	280,000	0.01%	330,000	0.01%
City Planning	4,150,000	0.11%	4,400,000	0.10%	4,800,000	0.10%	3,500,000	0.07%
Communication and Brand Management	290,000	0.01%	820,000	0.02%	450,000	0.01%	350,000	0.01%
Corporate Legal Services	4,932,600	0.13%	1,400,000	0.03%	570,000	0.01%	700,000	0.01%
Council General	-	0.00%	-	0.00%	204,000,000	4.11%	-	0.00%
Customer Relations Management	64,821,616	1.70%	17,850,000	0.40%	850,000	0.02%	850,000	0.02%
Disaster & Emergency Management Services	105,119,920	2.76%	110,880,000	2.48%	139,370,000	2.81%	123,320,000	2.38%
Economic Development	57,500,000	1.51%	76,000,000	1.70%	68,180,000	1.38%	26,940,000	0.52%
EMPD	144,946,066	3.80%	91,995,000	2.06%	96,500,000	1.95%	87,700,000	1.69%
Energy	544,650,000	14.29%	529,760,000	11.85%	741,700,000	14.96%	721,700,000	13.93%
Environmental Resources Management	9,495,000	0.25%	149,080,000	3.33%	160,225,000	3.23%	168,200,000	3.25%
EPMO	3,180,000	0.08%	3,180,000	0.07%	220,000	0.00%	220,000	0.00%
Executive Office	2,663,000	0.07%	2,913,000	0.07%	14,500,000	0.29%	5,300,000	0.10%
Finance	20,351,000	0.53%	9,951,000	0.22%	14,451,000	0.29%	4,700,000	0.09%
Fleet Management	20,031,856	0.53%	11,899,406	0.27%	750,000	0.02%	720,000	0.01%
Health & Social Development	96,600,000	2.53%	104,300,000	2.33%	153,200,000	3.09%	175,120,000	3.38%
Human Resources Management & Development	850,000	0.02%	1,030,000	0.02%	1,000,000	0.02%	1,650,000	0.03%
Human Settlements	328,748,780	8.63%	579,291,900	12.96%	608,759,535	12.28%	375,589,000	7.25%
ICT	220,438,000	5.78%	322,035,000	7.20%	308,717,700	6.23%	339,212,270	6.55%
Internal Audit	606,400	0.02%	384,500	0.01%	424,500	0.01%	580,000	0.01%
Legislature	4,300,000	0.11%	3,800,000	0.08%	3,400,000	0.07%	3,400,000	0.07%
Real Estate	259,296,314	6.80%	220,780,000	4.94%	210,120,000	4.24%	741,500,000	14.31%
Risk Management	290,000	0.01%	220,000	0.00%	220,000	0.00%	250,000	0.00%
Roads and Stormwater	608,100,000	15.96%	674,700,000	15.09%	635,400,000	12.82%	576,700,000	11.13%
SRAC	118,226,084	3.10%	193,400,000	4.33%	115,911,111	2.34%	114,500,000	2.21%
Strategy & Corporate Planning	310,000	0.01%	310,000	0.01%	360,000	0.01%	390,000	0.01%
Transport	617,231,221	16.20%	729,243,621	16.31%	785,989,000	15.85%	1,008,844,000	19.47%
Waste Management	101,295,308	2.66%	117,980,000	2.64%	179,500,000	3.62%	185,000,000	3.57%
Water & Sanitation	472,126,457	12.39%	512,100,000	11.45%	508,000,000	10.25%	515,000,000	9.94%
Total Capital Budget	3,810,949,622	100%	4,471,563,427	100%	4,958,027,846	100%	5,182,445,270	100%

For 2015/16 an amount of R3.293 billion has been appropriated for the development of infrastructure which represents 73.65% of the total Capital Budget. In the outer years this amount totals R3.831 billion, 77.27% and R3.458 billion, 66.72% respectively for each of the financial years. Infrastructure development relates to roads and stormwater, transport, electricity, water and waste water management and other.

Further detail relating to asset classes and proposed capital expenditure is contained in Table 27 MBRR A9 (Asset Management) of Annexure B. In addition to the MBRR Table A9, MBRR Tables SA34a, b, c provides a detailed breakdown of the capital programme relating to new asset construction, capital asset renewal as well as operational repairs and maintenance by asset class.

The following graph provides a breakdown of the Capital Budget to be spent on infrastructure-related projects over the MTREF.

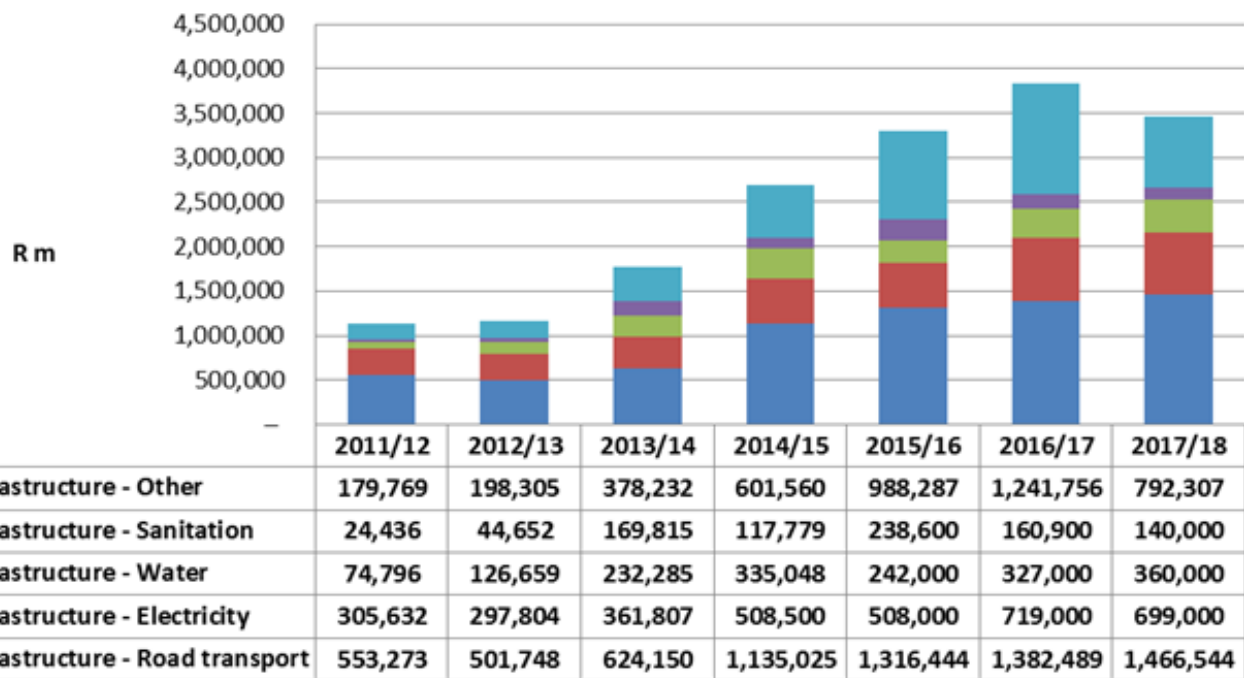


Figure 2 Capital Infrastructure Programme

1.6.1 Future operational cost of new infrastructure

The future operational costs and revenues associated with the capital programme have been included in Table 96 MBRR SA35 - future financial implications of the Capital Budget on page 358. This table shows that future operational costs associated with the capital programme totals R564m in 2015/16, escalates to R596m in 2016/17 and to R631m in 2017/18. It needs to be noted that as part of the 2014/15 MTREF, this expenditure has been factored into the two outer years of the operational budget through increases in the budgets of the departments and the provision of the R55m global amount for additional vacancies.

The new facilities created through the capital programme of the Social Development Cluster have the greatest impact on future Operating Budgets as a result of the increased human resource costs associated with the facilities. The sustainability of the number of facilities created is being looked at to ensure that future tariffs are not unaffordable to our communities. Part of the long-term strategy is to invest in projects that will stimulate economic growth which will result in increased financial resources so that social facilities can be afforded.

In the short- to medium-term, however, it will require a reduction in the investment in social facilities so that available funds can be geared towards economic growth projects. The section dealing with the proposed new capital prioritisation model will further elaborate on this principle.

1.7 Annual Budget Tables - Parent Municipality

The following pages in this section presents the 10 main budget tables as required in terms of Section 8 of the Municipal Budget and Reporting Regulations. These tables set out the municipality's 2015/16 budget and MTREF as approved by Council. Each table is accompanied by *explanatory notes* on the facing page.

It is important to note that these tables represent the budget of the EMM only and not consolidated figures for the group.

Table 21 MBRR Table A1 - Budget Summary

Eku Ekurhuleni Metro - Table A1 Budget Summary										
Description	2011/12	2012/13	2013/14	Current Year 2014/15				2015/16 Medium Term Revenue & Expenditure Framework		
R thousands	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
Financial Performance										
Property rates	2,644,170	2,874,963	3,534,321	4,134,710	4,134,710	4,110,071	4,110,071	4,421,129	4,864,331	5,395,735
Service charges	12,640,496	13,500,276	14,861,038	16,890,353	16,993,185	16,866,340	16,866,340	19,232,567	21,394,444	23,713,928
Investment revenue	153,736	239,543	370,295	220,043	281,998	338,398	338,398	317,085	345,623	376,729
Transfers recognised - operational	3,285,158	3,638,073	3,823,804	2,683,115	2,812,966	2,819,512	2,819,512	2,936,434	3,061,976	3,397,750
Other own revenue	808,802	882,065	959,148	2,382,480	2,384,210	2,356,742	2,356,742	2,547,625	2,732,800	2,916,024
Total Revenue (excluding capital transfers and contributions)	19,532,362	21,134,921	23,548,607	26,310,701	26,607,068	26,491,062	26,491,062	29,454,839	32,399,173	35,800,166
Employee costs	4,109,532	4,967,529	5,432,135	5,446,788	5,339,084	5,244,671	5,244,671	5,947,487	6,368,349	6,745,350
Remuneration of councillors	79,406	87,955	94,141	101,919	101,919	101,919	101,919	108,849	115,924	122,880
Depreciation & asset impairment	1,984,750	2,127,829	1,978,922	1,431,820	1,431,820	1,431,820	1,431,820	1,629,161	1,847,089	2,197,649
Finance charges	453,418	522,866	572,960	706,964	670,458	592,297	592,297	763,197	858,597	965,921
Materials and bulk purchases	9,667,706	10,024,909	10,821,994	12,646,091	12,856,577	12,569,873	12,569,873	14,546,838	16,365,933	18,327,106
Transfers and grants	426,285	960,645	1,060,444	1,048,821	1,049,945	970,399	970,399	1,112,987	1,235,472	1,360,401
Other expenditure	3,345,085	2,568,855	3,247,752	4,812,415	5,041,381	4,861,914	4,861,914	5,213,352	5,449,599	5,809,161
Total Expenditure	20,066,181	21,260,588	23,208,349	26,194,817	26,491,184	25,772,893	25,772,893	29,321,872	32,240,963	35,528,468
Surplus/(Deficit)	(533,819)	(125,667)	340,258	115,883	115,884	718,169	718,169	132,967	158,211	271,698
Transfers recognised - capital	1,272,382	1,108,485	1,516,157	2,003,181	2,043,763	2,004,918	2,004,918	1,975,556	2,200,480	2,365,934
Contributions recognised - capital & contributed assets	-	-	-	(113,000)	(113,000)	(113,000)	(113,000)	(130,000)	(150,000)	(250,000)
Surplus/(Deficit) after capital transfers & contributions	738,563	982,818	1,856,415	2,006,064	2,046,647	2,610,087	2,610,087	1,978,523	2,208,690	2,387,632
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) for the year	738,563	982,818	1,856,415	2,006,064	2,046,647	2,610,087	2,610,087	1,978,523	2,208,690	2,387,632

EKURHULENI METROPOLITAN MUNICIPALITY – FINAL BUDGET 2015/16 TO 2017/18

EKU Ekurhuleni Metro - Table A1 Budget Summary										
Description	2011/12	2012/13	2013/14	Current Year 2014/15				2015/16 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
R thousands										
<u>Capital expenditure & funds sources</u>										
Capital expenditure	2,001,014	2,370,437	2,612,301	3,790,366	3,810,950	3,620,402	3,620,402	4,471,563	4,958,028	5,182,445
Transfers recognised - capital	1,272,382	1,108,485	1,540,702	2,003,181	2,043,763	2,043,763	2,043,763	1,975,556	2,200,480	2,365,934
Public contributions & donations	5,662	13,644	–	–	–	–	–	–	–	–
Borrowing	475,500	965,258	838,118	1,234,110	1,246,032	1,081,543	1,081,543	1,006,655	1,812,300	1,711,600
Internally generated funds	247,470	283,050	233,482	553,075	521,154	495,096	495,096	1,489,353	945,248	1,104,911
Total sources of capital funds	2,001,014	2,370,437	2,612,301	3,790,366	3,810,950	3,620,402	3,620,402	4,471,563	4,958,028	5,182,445
<u>Financial position</u>										
Total current assets	6,344,765	8,582,096	11,258,186	7,712,353	7,732,351	10,038,728	10,038,728	9,990,410	10,720,097	11,706,574
Total non current assets	43,408,278	44,341,435	44,790,496	50,738,936	50,759,519	44,618,637	44,618,637	47,650,486	51,048,863	54,321,097
Total current liabilities	4,687,221	6,094,811	6,536,463	4,858,802	4,858,802	6,108,802	6,108,802	6,178,303	6,221,906	6,268,897
Total non current liabilities	6,484,677	7,023,973	7,851,057	8,878,151	8,878,151	7,478,151	7,478,151	8,581,189	10,662,691	12,586,045
Community wealth/Equity	38,581,145	39,804,748	41,661,162	44,714,335	44,754,917	41,070,412	41,070,412	42,881,403	44,884,363	47,172,729
<u>Cash flows</u>										
Net cash from (used) operating	3,071,675	3,534,219	3,910,406	3,615,986	3,656,568	4,082,051	4,082,051	3,906,600	4,345,647	4,986,691
Net cash from (used) investing	(2,242,131)	(2,703,819)	(2,568,554)	(3,949,177)	(3,969,761)	(3,949,177)	(3,949,177)	(4,759,001)	(5,245,465)	(5,469,883)
Net cash from (used) financing	670,016	705,553	178,311	918,698	918,698	893,710	893,710	755,190	1,542,821	1,422,104
Cash/cash equivalents at the year end	2,838,424	4,374,377	5,894,540	4,341,321	4,361,320	4,782,398	4,782,398	4,685,187	5,328,190	6,267,103

EKURHULENI METROPOLITAN MUNICIPALITY – FINAL BUDGET 2015/16 TO 2017/18

EKU Ekurhuleni Metro - Table A1 Budget Summary										
Description	2011/12	2012/13	2013/14	Current Year 2014/15				2015/16 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
R thousands										
<u>Cash backing/surplus reconciliation</u>										
Cash and investments available	3,331,895	5,201,363	6,674,872	5,122,903	5,142,902	5,563,980	5,563,980	5,754,207	6,684,647	7,910,997
Application of cash and investments	1,981,751	3,721,852	3,694,823	3,403,254	3,401,973	3,190,129	3,054,170	3,383,524	3,498,760	3,998,296
Balance - surplus (shortfall)	1,350,144	1,479,511	2,980,049	1,719,650	1,740,929	2,373,851	2,509,810	2,370,682	3,185,887	3,912,701
<u>Asset management</u>										
Asset register summary (WDV)	42,855,177	43,447,682	44,063,556	49,879,657	49,900,241	43,879,657	46,624,069	46,624,069	49,735,008	52,719,805
Depreciation & asset impairment	1,984,750	2,127,829	1,978,922	1,431,820	1,431,820	1,431,820	1,629,161	1,629,161	1,847,089	2,197,649
Renewal of Existing Assets	1,051,967	1,106,260	1,183,988	1,646,797	1,523,240	1,447,078	1,447,078	1,970,120	1,827,148	1,857,211
Repairs and Maintenance	1,737,189	1,172,046	1,336,283	2,355,214	2,479,574	2,345,351	2,719,615	2,719,615	3,010,473	3,273,238
<u>Free services</u>										
Cost of Free Basic Services provided	38,601	41,356	518,165	600,287	600,287	600,287	1,773,177	1,773,177	1,968,852	2,170,916
Revenue cost of free services provided	1,097,260	1,798,970	2,137,537	2,331,940	2,322,991	2,251,848	2,526,216	2,526,216	2,811,584	3,095,815
<u>Households below minimum service level</u>										
Water:	20	20	20	20	21	21	22	22	23	24
Sanitation/sewerage:	-	-	-	-	-	-	-	-	-	-
Energy:	-	-	-	-	-	-	27	27	47	67
Refuse:	164	169	182	182	181	181	187	187	194	200

Explanatory notes to MBRR Table A1 - Budget Summary

1. Table A1 is a budget summary and provides a concise overview of the metro's budget from all of the major financial perspectives (operating, capital expenditure, financial position, cash flow, and MFMA funding compliance).
2. The table provides an overview of the amounts approved by Council from operating performance and resources deployed to capital expenditure, financial position, cash and funding compliance, and the metro's commitment to eliminating basic service delivery backlogs.
3. Financial management reforms emphasises the importance of funding for the municipal budget. This requires the simultaneous assessment of the financial performance, financial position and cash flow budgets, along with the Capital Budget. The Budget Summary provides the key information in this regard:
 - a. The operating surplus/deficit (after total expenditure) is positive over the MTREF.
 - b. Capital expenditure is balanced by capital funding sources, of which:
 - i. Transfers recognised are reflected on the Financial Performance Budget.
 - ii. Borrowing is incorporated in the net cash from financing on the Cash Flow Budget.
 - iii. Internally generated funds are financed from a combination of the current operating surplus and accumulated cash-backed surpluses from previous years. The amount is incorporated in the net cash from investing on the Cash Flow Budget. The fact that the municipality's cash flow remains positive and is improving indicates that the necessary cash resources are available to fund the Capital Budget.
4. The cash-backing/surplus reconciliation shows that in previous financial years the liquidity position of the municipality was placed under pressure and consequently many of its obligations were not cash-backed. This placed the municipality in a very vulnerable financial position. Consequently Council has taken a deliberate decision to ensure adequate cash-backing for all material obligations in accordance with the recently adopted Funding and Reserves Policy. This cannot be achieved in one financial year. But over the MTREF there is progressive improvement in the level of cash-backing of obligations. The cash position of the Council improved over the last year and it is anticipated that the goal of having all obligations cash-back will be achieved during the current MTREF year, when surpluses are reflected.
5. Even though the Council is placing great emphasis on securing the financial sustainability of the municipality, this is not being done at the expense of services to the poor. The section of FBS shows that the amount spent on FBS and the revenue cost of free services provided by the municipality continues to increase. In addition, the municipality continues to make progress in addressing service delivery backlogs.

Table 22 MBRR Table A2 - Budgeted Financial Performance (revenue and expenditure by standard classification)

Eku Ekurhuleni Metro - Table A2 Budgeted Financial Performance (revenue and expenditure by standard classification)									
Standard Classification Description	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
R thousand	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
Revenue - Standard									
<i>Governance and administration</i>	4,374,109	4,774,529	5,947,493	6,576,402	6,603,088	6,614,383	7,059,034	7,692,972	8,433,935
Executive and council	648	8,338	508	22	22	965	-	-	-
Budget and treasury office	4,319,430	4,714,574	5,921,206	6,465,156	6,527,112	6,536,764	7,007,309	7,639,167	8,376,582
Corporate services	54,031	51,617	25,780	111,224	75,954	76,655	51,725	53,805	57,352
<i>Community and public safety</i>	747,676	591,006	693,289	983,289	1,118,136	1,100,080	1,338,344	1,358,635	1,140,886
Community and social services	31,682	30,618	33,504	42,149	43,437	34,930	43,479	41,432	43,609
Sport and recreation	95,977	82,850	166,712	42,869	39,163	38,026	25,831	53,071	43,513
Public safety	272,295	222,644	181,664	292,976	300,328	235,675	305,687	319,657	321,844
Housing	95,167	87,236	118,183	415,752	544,066	606,491	739,107	715,248	488,118
Health	252,556	167,659	193,226	189,545	191,143	184,958	224,241	229,226	243,802
<i>Economic and environmental services</i>	481,628	743,714	1,133,786	1,265,444	1,271,203	1,225,199	1,229,253	1,348,080	1,575,167
Planning and development	3,012	9,379	80,368	116,424	118,198	114,355	95,604	83,161	90,152
Road transport	477,995	734,022	1,052,992	1,144,904	1,150,828	1,108,741	1,111,031	1,248,791	1,471,376
Environmental protection	620	313	426	4,116	2,178	2,103	22,619	16,128	13,638
<i>Trading services</i>	15,184,921	16,116,291	17,271,819	19,348,218	19,517,877	19,423,575	21,650,581	24,024,928	26,739,184
Electricity	10,002,208	10,604,186	10,977,661	12,506,942	12,455,396	12,256,570	13,856,231	15,529,330	17,287,254
Water	3,302,266	3,484,641	4,030,692	4,214,781	4,354,508	4,486,588	4,848,696	5,296,783	5,978,692
Waste water management	715,985	736,557	895,456	995,311	1,068,510	1,068,510	1,189,748	1,298,922	1,412,268
Waste management	1,164,463	1,290,908	1,368,009	1,631,184	1,639,464	1,611,907	1,755,906	1,899,894	2,060,969
<i>Other</i>	16,411	17,865	18,375	27,528	27,528	19,743	23,182	25,038	26,928
Total Revenue - Standard	20,804,744	22,243,406	25,064,764	28,200,882	28,537,832	28,382,980	31,300,394	34,449,653	37,916,100

EKU Ekurhuleni Metro - Table A2 Budgeted Financial Performance (revenue and expenditure by standard classification)									
Standard Classification Description	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
R thousand	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
Expenditure - Standard									
<i>Governance and administration</i>	3,366,299	3,121,790	2,537,497	3,427,577	3,303,105	3,022,215	3,259,592	3,503,323	3,826,379
Executive and council	777,791	660,167	311,217	559,679	565,733	563,428	673,124	703,555	734,138
Budget and treasury office	1,798,028	1,670,019	1,096,013	1,827,688	1,719,234	1,349,309	1,439,517	1,575,306	1,784,668
Corporate services	790,479	791,604	1,130,267	1,040,211	1,018,138	1,109,477	1,146,951	1,224,463	1,307,573
<i>Community and public safety</i>	2,896,360	3,235,596	3,878,232	4,259,845	4,380,405	4,347,009	4,580,972	4,811,843	5,117,977
Community and social services	229,585	238,045	273,793	294,709	294,785	300,238	310,665	326,256	345,920
Sport and recreation	678,166	717,513	941,079	844,803	848,495	923,340	909,904	968,462	1,030,010
Public safety	957,704	1,046,568	1,270,117	1,506,308	1,492,357	1,506,861	1,533,788	1,628,128	1,728,045
Housing	228,142	310,605	370,761	479,975	607,503	458,710	571,819	553,820	598,245
Health	802,763	922,866	1,022,482	1,134,051	1,137,264	1,157,860	1,254,796	1,335,176	1,415,755
<i>Economic and environmental services</i>	1,709,774	1,906,340	1,864,070	1,998,179	2,014,955	1,782,332	2,262,978	2,615,276	2,833,198
Planning and development	123,900	157,124	254,529	382,284	420,092	386,527	456,097	460,651	484,427
Road transport	1,528,393	1,694,053	1,571,278	1,540,296	1,520,997	1,333,067	1,729,548	2,072,878	2,262,458
Environmental protection	57,482	55,163	38,262	75,599	73,866	62,739	77,333	81,747	86,312
<i>Trading services</i>	12,006,189	12,982,269	14,916,631	16,490,716	16,774,577	16,601,631	19,196,243	21,287,464	23,726,877
Electricity	8,220,114	8,825,670	10,221,804	11,073,209	11,045,766	11,022,637	12,759,906	14,346,353	16,160,982
Water	2,493,348	2,906,275	3,283,608	3,491,915	3,698,237	3,219,896	4,329,888	4,692,881	5,141,810
Waste water management	407,930	448,249	445,927	534,398	533,384	1,016,126	587,578	642,619	699,713
Waste management	884,797	802,076	965,292	1,391,193	1,497,190	1,342,972	1,518,870	1,605,612	1,724,373
<i>Other</i>	87,558	14,592	11,920	18,501	18,142	19,705	22,086	23,056	24,038
Total Expenditure - Standard	20,066,181	21,260,588	23,208,349	26,194,817	26,491,184	25,772,893	29,321,872	32,240,963	35,528,468
Surplus/(Deficit) for the year	738,563	982,818	1,856,415	2,006,064	2,046,647	2,610,087	1,978,523	2,208,690	2,387,632

Explanatory notes to MBRR Table A2 - Budgeted Financial Performance (revenue and expenditure by standard classification)

1. Table A2 is a view of the budgeted financial performance in relation to revenue and expenditure per standard classification. The modified GFS standard classification divides municipal services into 15 functional areas. Municipal revenue, operating expenditure and capital expenditure are then classified in terms of each of these functional areas which enables the National Treasury to compile 'whole of government' reports.
2. Note that the Total Revenue in this table includes capital revenues (transfers recognised – capital) and so does not balance with the operating revenue shown on Table A4.
3. Note that as a general principle the revenues for Trading Services should exceed expenditures. The table highlights that this is the case for electricity, water and waste water and the solid waste management (refuse removal) functions.
4. Other functions that show a deficit between revenue and expenditure are being financed from rates revenues and other revenue sources reflected under Corporate Services.

Table 23 MBRR Table A3 Consolidated – Budgeted Financial Performance (revenue and expenditure by municipal vote)

Eku Ekurhuleni Metro - Table A3 Budgeted Financial Performance (revenue and expenditure by municipal vote)									
Vote Description	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
R thousand	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
Revenue by Vote									
Vote 1 - Executive and Council	6	–	0	22	22	–	–	–	–
Vote 2 - Finance and Corporate Services	4,374,108	4,713,923	6,008,617	6,608,352	6,635,355	6,644,036	7,059,034	7,692,972	8,433,935
Vote 3 - Energy	10,002,208	10,690,446	10,977,661	12,506,942	12,455,396	12,256,570	13,856,231	15,529,330	17,287,254
Vote 4 - Water and Sanitation	4,018,251	4,336,820	4,926,149	5,210,092	5,423,018	5,555,098	6,038,444	6,595,704	7,390,960
Vote 5 - Waste Management	1,164,463	1,306,210	1,368,009	1,631,184	1,639,464	1,611,907	1,755,906	1,899,894	2,060,969
Vote 6 - Human Settlements	95,167	2,114	118,183	415,752	544,066	606,491	739,107	715,248	488,118
Vote 7 - City Planning	1,873	30,404	33,412	80,802	82,576	80,193	81,672	82,926	89,906
Vote 8 - Economic Development	16,738	24,745	65,273	63,150	63,150	53,864	37,062	25,216	27,113
Vote 9 - Disaster and Emergency Management Services	203,808	125,425	167,218	200,701	197,137	196,465	193,993	201,524	200,435
Vote 10 - Sport, Recreation, Arts & Culture (SRAC)	79,927	46,597	139,229	53,161	50,426	43,420	37,859	61,453	52,390
Vote 11 - Health and Social Development	247,720	160,677	189,492	183,064	184,662	179,960	217,175	221,772	235,938
Vote 12 - Environmental Resource Management	49,084	202	312	4,000	2,062	1,987	54,069	49,178	48,370
Vote 13 - Ekurhuleni Metropolitan Police Department (EMPD)	73,322	77,105	18,158	98,756	109,672	44,208	118,760	125,587	129,273
Vote 14 - Transport	231,553	310,832	503,349	846,854	850,578	809,720	915,643	1,100,165	1,280,586
Vote 15 - Roads and Stormwater	246,516	417,907	549,702	298,050	300,249	299,062	195,440	148,683	190,852
Total Revenue by Vote	20,804,744	22,243,406	25,064,764	28,200,882	28,537,832	28,382,980	31,300,394	34,449,653	37,916,100

EKU Ekurhuleni Metro - Table A3 Budgeted Financial Performance (revenue and expenditure by municipal vote)									
Vote Description	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
R thousand									
<u>Expenditure by Vote to be appropriated</u>									
Vote 1 - Executive and Council	192,388	210,866	234,752	287,064	290,671	295,735	318,842	336,661	354,282
Vote 2 - Finance and Corporate Services	2,009,217	2,122,087	2,860,124	3,724,811	3,038,362	3,360,148	2,963,100	3,190,306	3,497,022
Vote 3 - Energy	8,926,947	9,518,445	10,305,012	11,148,783	11,121,340	11,102,012	12,839,003	14,429,800	16,249,598
Vote 4 - Water and Sanitation	3,119,705	3,597,464	3,714,069	4,006,522	4,212,688	4,227,872	4,900,781	5,317,963	5,823,102
Vote 5 - Waste Management	995,191	1,029,593	961,557	1,391,193	1,497,190	1,342,972	1,518,870	1,605,612	1,724,373
Vote 6 - Human Settlements	289,175	409,113	370,866	479,975	607,503	458,710	576,871	559,148	603,863
Vote 7 - City Planning	87,242	132,918	159,736	237,299	243,575	257,417	245,550	256,336	272,574
Vote 8 - Economic Development	37,343	56,260	102,772	138,593	172,266	142,108	214,254	208,004	215,523
Vote 9 - Disaster and Emergency Management Services	507,514	543,155	642,791	706,782	717,263	772,629	750,586	798,872	847,082
Vote 10 - Sport, Recreation, Arts & Culture (SRAC)	501,796	528,112	681,025	597,076	605,930	614,568	625,970	660,091	698,954
Vote 11 - Health and Social Development	542,131	634,062	687,217	796,228	797,953	795,359	870,776	926,244	982,096
Vote 12 - Environmental Resource Management	586,721	44,988	25,303	61,849	610,902	48,322	666,200	710,271	756,821
Vote 13 - Ekurhuleni Metropolitan Police Department (EMPD)	727,009	801,246	876,380	1,058,454	1,035,511	1,013,825	1,084,727	1,151,123	1,222,170
Vote 14 - Transport	226,061	243,822	284,629	326,549	311,639	309,998	379,738	577,464	612,191
Vote 15 - Roads and Stormwater	1,317,743	1,388,457	1,302,115	1,233,639	1,228,390	1,031,218	1,366,602	1,513,067	1,668,816
Total Expenditure by Vote	20,066,181	21,260,588	23,208,349	26,194,817	26,491,184	25,772,893	29,321,872	32,240,963	35,528,468
Surplus/(Deficit) for the year	738,563	982,818	1,856,415	2,006,064	2,046,647	2,610,087	1,978,523	2,208,690	2,387,632

Explanatory notes to MBRR Table A3 - Budgeted Financial Performance (revenue and expenditure by municipal vote)

Table A3 is a view of the budgeted financial performance in relation to the revenue and expenditure per municipal vote. This table facilitates the view of the budgeted operating performance in relation to the organisational structure of the metro. This means it is possible to present the vote's operating surplus or deficit. The following table is an analysis of the surplus or deficit for refuse removal, electricity and water (including sanitation) trading services.

Table 24 Surplus/ (deficit) calculations for trading services as per MBRR Table A3

Surplus / (Deficit) for Trading Services as per MBRR Table A3.									
Vote Description R thousand	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
ELECTRICITY									
Total Revenue (including capital grants and transfers)	10,002,208	10,690,446	10,977,661	12,506,942	12,455,396	12,256,570	13,856,231	15,529,330	17,287,254
Operating Expenditure	8,926,947	9,518,445	10,305,012	11,148,783	11,121,340	11,102,012	12,839,003	14,429,800	16,249,598
Surplus / (Deficit) for the Year	1,075,260	1,172,000	672,649	1,358,159	1,334,055	1,154,558	1,017,229	1,099,530	1,037,656
Percentage Surplus	10.75%	10.96%	6.13%	10.86%	0.00%	9.42%	7.34%	7.08%	6.00%
WATER AND WASTE WATER									
Total Revenue (including capital grants and transfers)	4,018,251	4,336,820	4,926,149	5,210,092	5,423,018	5,555,098	6,038,444	6,595,704	7,390,960
Operating Expenditure	3,119,705	3,597,464	3,714,069	4,006,522	4,212,688	4,227,872	4,900,781	5,317,963	5,823,102
Surplus / (Deficit) for the Year	898,546	739,356	1,212,080	1,203,570	1,210,329	1,327,225	1,137,663	1,277,741	1,567,858
Percentage Surplus	22.36%	17.05%	24.61%	23.10%	0.00%	23.89%	18.84%	19.37%	21.21%
WASTE MANAGEMENT									
Total Revenue (including capital grants and transfers)	1,164,463	1,306,210	1,368,009	1,631,184	1,639,464	1,611,907	1,755,906	1,899,894	2,060,969
Operating Expenditure	995,191	1,029,593	961,557	1,391,193	1,497,190	1,342,972	1,518,870	1,605,612	1,724,373
Surplus / (Deficit) for the Year	169,272	276,617	406,452	239,991	142,273	268,935	237,035	294,282	336,596
Percentage Surplus	14.54%	21.18%	29.71%	14.71%	0.00%	16.68%	13.50%	15.49%	16.33%
TOTAL FOR TRADING SERVICES									
Total Revenue (including capital grants and transfers)	15,184,921	16,333,475	17,271,819	19,348,218	19,517,877	19,423,575	21,650,581	24,024,928	26,739,184
Operating Expenditure	13,041,843	14,145,502	14,980,638	16,546,498	16,831,219	16,672,857	19,258,654	21,353,374	23,797,073
Surplus / (Deficit) for the Year	2,143,078	2,187,973	2,291,181	2,801,720	2,686,658	2,750,719	2,391,928	2,671,554	2,942,111
Percentage Surplus	14.11%	13.40%	13.27%	14.48%	0.00%	14.16%	11.05%	11.12%	11.00%

The electricity trading surplus is **decreasing** from R1.334 billion in 2014/15 budget to R1.017 billion in 2015/16 MTREF. This is mainly as a result of the NERSA principles that tariff increases is less than the bulk purchases tariff increase.

The fact that the expenditure of the Electricity Service is also increasing with more than the benchmark percentages used in the calculations, resulted in the decrease. Especially in respect with Repair & Maintenance expenditure. According to Circular 74 of NT the R&M may only increase with 6.3%, but EMM budgeted for an increase of 10.93%.

The surplus on the water and sanitation account reflects a very similar pattern as the Electricity service and it is **decreasing** from R1.21 billion in 2014/15 budget to R1.14 billion in 2015/16 MTREF. This is also as a result of the drastic increase R&M of the service. The R&M reflects an increase of 31.3% if compared with the 2014/15 Original Budget. However, the budget was drastically increased in the Adjustment Budget. The increase from the Adjustment Budget to the new budget is 3.55%

Waste Management reflects a surplus of R237m in 2015/16. In the outer years, the surplus is R294m and R337m respectively.

There is a clear indication of Council's commitment to improve the level of core municipal services to the community. More funds are allocated for maintenance and repairs to adhere to the Minister of Finance's speech of building capacity of local government through the **"back to basics"** approach. This resulted therein that the Total Surplus from Trading Services is decreasing from R2.8 billion in 2014/15 to R2.4 billion in 2015/16 MTREF. A decrease of R410m.

Note that the surpluses on these trading accounts are utilised to cross-subsidise other services.

Table 25 MBRR Table A4 - Budgeted Financial Performance (revenue and expenditure)

EKU Ekurhuleni Metro - Table A4 Budgeted Financial Performance (revenue and expenditure)										
Description	2011/12	2012/13	2013/14	Current Year 2014/15				2015/16 Medium Term Revenue & Expenditure Framework		
R thousand	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
Revenue By Source										
Property rates	2,590,399	2,802,871	3,427,709	4,025,721	4,025,721	4,001,082	4,001,082	4,307,780	4,741,915	5,263,526
Property rates - penalties & collection charges	53,770	72,092	106,611	108,989	108,989	108,989	108,989	113,348	122,416	132,209
Service charges - electricity revenue	9,086,646	9,692,978	10,358,669	11,717,499	11,718,453	11,521,965	11,521,965	13,153,808	14,709,660	16,451,415
Service charges - water revenue	2,053,595	2,149,636	2,576,373	2,867,861	2,867,861	2,978,787	2,978,787	3,437,870	3,781,657	4,122,006
Service charges - sanitation revenue	715,985	745,454	895,456	995,311	1,068,510	1,068,510	1,068,510	1,189,748	1,298,922	1,412,268
Service charges - refuse revenue	726,039	846,321	962,652	1,231,349	1,260,029	1,222,467	1,222,467	1,364,937	1,472,877	1,589,383
Service charges - other	58,232	65,887	67,889	78,333	78,333	74,611	74,611	86,204	131,328	138,856
Rental of facilities and equipment	49,227	49,600	55,705	65,945	65,945	57,958	57,958	68,058	73,501	79,380
Interest earned - external investments	153,736	239,543	370,295	220,043	281,998	338,398	338,398	317,085	345,623	376,729
Interest earned - outstanding debtors	199,887	257,705	362,065	219,921	219,921	286,254	286,254	272,380	294,170	317,704
Dividends received	-	-	-	-	-	-	-	-	-	-
Fines	210,364	173,029	167,705	253,116	253,116	168,159	168,159	267,074	289,730	314,347
Licences and permits	33,961	35,332	41,011	45,417	45,417	49,959	49,959	54,205	68,270	73,391
Agency services	208,921	228,211	235,641	258,557	258,557	258,773	258,773	274,014	295,935	319,610
Transfers recognised - operational	3,285,158	3,638,073	3,823,804	2,683,115	2,812,966	2,819,512	2,819,512	2,936,434	3,061,976	3,397,750
Other revenue	105,667	138,189	97,021	1,534,524	1,536,255	1,535,639	1,535,639	1,606,894	1,706,193	1,806,592
Gains on disposal of PPE	776	-	-	5,000	5,000	-	-	5,000	5,000	5,000
Total Revenue (excluding capital transfers and contributions)	19,532,362	21,134,921	23,548,607	26,310,701	26,607,068	26,491,062	26,491,062	29,454,839	32,399,173	35,800,166

Eku Ekurhuleni Metro - Table A4 Budgeted Financial Performance (revenue and expenditure)										
Description	2011/12	2012/13	2013/14	Current Year 2014/15				2015/16 Medium Term Revenue & Expenditure Framework		
R thousand	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
Expenditure By Type										
Employee related costs	4,109,532	4,967,529	5,432,135	5,446,788	5,339,084	5,244,671	5,244,671	5,947,487	6,368,349	6,745,350
Remuneration of councillors	79,406	87,955	94,141	101,919	101,919	101,919	101,919	108,849	115,924	122,880
Debt impairment	1,442,008	887,675	1,343,750	1,230,204	1,230,204	1,230,204	1,230,204	1,435,562	1,507,341	1,627,928
Depreciation & asset impairment	1,984,750	2,127,829	1,978,922	1,431,820	1,431,820	1,431,820	1,431,820	1,629,161	1,847,089	2,197,649
Finance charges	453,418	522,866	572,960	706,964	670,458	592,297	592,297	763,197	858,597	965,921
Bulk purchases	7,930,516	8,852,864	9,485,711	10,290,877	10,377,002	10,224,522	10,224,522	11,827,223	13,355,460	15,053,868
Other materials	1,737,189	1,172,046	1,336,283	2,355,214	2,479,575	2,345,351	2,345,351	2,719,615	3,010,473	3,273,238
Contracted services	684,663	685,955	685,925	902,139	896,749	747,599	747,599	908,808	958,792	1,035,496
Transfers and grants	426,285	960,645	1,060,444	1,048,821	1,049,945	970,399	970,399	1,112,987	1,235,472	1,360,401
Other expenditure	1,197,375	979,969	1,217,356	2,655,071	2,889,428	2,859,111	2,859,111	2,853,982	2,968,466	3,130,738
Loss on disposal of PPE	21,039	15,256	721	25,000	25,000	25,000	25,000	15,000	15,000	15,000
Total Expenditure	20,066,181	21,260,588	23,208,349	26,194,817	26,491,184	25,772,893	25,772,893	29,321,872	32,240,963	35,528,468
Surplus/(Deficit)	(533,819)	(125,667)	340,258	115,883	115,884	718,169	718,169	132,967	158,211	271,698
Transfers recognised - capital	1,272,382	1,108,485	1,516,157	2,003,181	2,043,763	2,004,918	2,004,918	1,975,556	2,200,480	2,365,934
Contributions recognised - capital	-	-	-	-	-	-	-	-	-	-
Contributed assets	-	-	-	(113,000)	(113,000)	(113,000)	(113,000)	(130,000)	(150,000)	(250,000)
Surplus/(Deficit) after capital transfers & contributions	738,563	982,818	1,856,415	2,006,064	2,046,647	2,610,087	2,610,087	1,978,523	2,208,690	2,387,632
Taxation										
Surplus/(Deficit) after taxation	738,563	982,818	1,856,415	2,006,064	2,046,647	2,610,087	2,610,087	1,978,523	2,208,690	2,387,632
Attributable to minorities										
Surplus/(Deficit) attributable to municipality	738,563	982,818	1,856,415	2,006,064	2,046,647	2,610,087	2,610,087	1,978,523	2,208,690	2,387,632
Share of surplus/ (deficit) of associate										
Surplus/(Deficit) for the year	738,563	982,818	1,856,415	2,006,064	2,046,647	2,610,087	2,610,087	1,978,523	2,208,690	2,387,632

Explanatory notes to MBRR Table A4 - Budgeted Financial Performance (revenue and expenditure)

Revenue generated from **rates and service charges** forms a significant percentage of the revenue basket for the metro. Rates and service charge revenues comprise 80.3% of the total revenue mix. In the 2015/16 financial year, revenue from rates and service charges totalled R23.5 billion in the income budget. This increases to R26.3 billion and R29.1 billion in the respective financial years.

Details in this regard are contained in Table 99 MBRR Table SA1 - Supporting detail to budgeted financial performance on page 376.

Electricity is the biggest source of income and represents R13.2 billion or 44.7% of the total income budget in 2015/16.

Property rates are the second largest revenue source totalling 14.6% of the total income budget or R4.3 billion.

Operating grants and transfers totals R2.9 billion or 10% of total income budget in the 2015/16 financial year and moves to R3.4 billion by 2017/18.

Bulk purchases significantly increased between 2011/12 and 2017/18, escalating from R7.9 billion to R15 billion. These increases can be attributed to the substantial increase in the cost of bulk electricity from Eskom and water from Rand Water. Bulk purchases also include bulk sewer purification costs.

Employee related costs and bulk purchases are the main cost drivers within the municipality and alternative operational gains and efficiencies will have to be identified to lessen the impact of wage and bulk tariff increases in future years.

The following graph illustrates the major expenditure items per type.

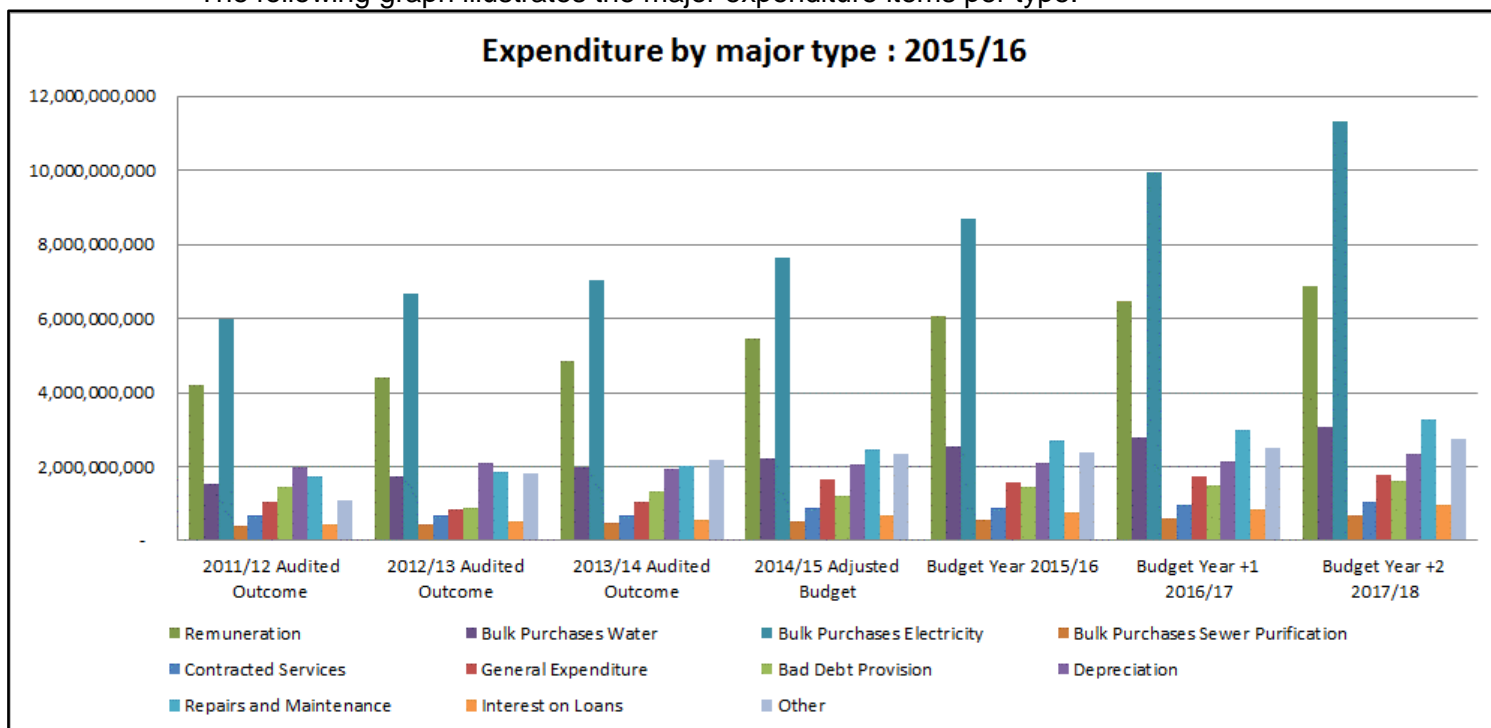


Figure 3 Expenditure by major type

Table 26 MBRR Table A5 - Budgeted Capital Expenditure by vote, standard classification and funding source

Eku Ekurhuleni Metro - Table A5 Budgeted Capital Expenditure by vote, standard classification and funding										
Vote Description	2011/12	2012/13	2013/14	Current Year 2014/15				2015/16 Medium Term Revenue & Expenditure Framework		
R thousand	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
Capital expenditure - Vote										
Multi-year expenditure to be appropriated										
Vote 1 - Executive and Council	-	4,805	-	-	-	-	-	-	-	-
Vote 2 - Finance and Corporate Services	200,246	273,972	313,061	436,405	480,124	456,118	456,118	541,225	714,177	1,030,917
Vote 3 - Energy	370,129	376,115	356,689	557,000	508,500	483,075	483,075	508,000	719,000	699,000
Vote 4 - Water and Sanitation	381,531	319,601	377,050	451,917	452,826	430,185	430,185	509,100	505,500	515,000
Vote 5 - Waste Management	62,640	55,097	63,810	72,500	46,879	44,535	44,535	78,280	138,500	137,500
Vote 6 - Human Settlements	52,934	64,587	52,630	329,012	250,739	238,202	238,202	578,212	607,580	374,390
Vote 7 - City Planning	-	-	-	-	-	-	-	-	-	-
Vote 8 - Economic Development	33,736	50,873	52,233	55,200	53,200	50,540	50,540	71,000	62,500	23,000
Vote 9 - Disaster and Emergency Management Services	26,876	32,511	33,984	59,000	58,600	55,670	55,670	62,350	81,200	56,680
Vote 10 - Sport, Recreation, Arts & Culture (SRAC)	77,247	77,845	126,977	94,450	91,426	86,855	86,855	161,900	92,911	92,500
Vote 11 - Health and Social Development	92,785	82,114	76,744	80,900	80,800	76,760	76,760	90,300	134,500	156,520
Vote 12 - Environmental Resource Management	31,824	46,704	8,979	10,000	8,500	8,075	8,075	93,500	100,000	108,500
Vote 13 - Ekurhuleni Metropolitan Police Department (EMPD)	12,200	17,119	17,626	32,740	42,856	40,713	40,713	37,300	40,000	23,500
Vote 14 - Transport	68,335	70,071	247,795	559,641	569,779	541,290	541,290	682,144	777,689	917,144
Vote 15 - Roads and Stormwater	310,439	556,262	577,640	593,900	586,900	557,555	557,555	651,500	611,800	553,000
Capital multi-year expenditure sub-total	1,720,921	2,027,674	2,305,217	3,332,666	3,231,129	3,069,573	3,069,573	4,064,811	4,585,356	4,687,651

EKU Ekurhuleni Metro - Table A5 Budgeted Capital Expenditure by vote, standard classification and funding										
Vote Description	2011/12	2012/13	2013/14	Current Year 2014/15				2015/16 Medium Term Revenue & Expenditure Framework		
R thousand	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
Single-year expenditure to be appropriated										
Vote 1 - Executive and Council	3,572	4,603	8,064	7,233	7,233	6,871	6,871	7,943	18,180	9,030
Vote 2 - Finance and Corporate Services	74,632	26,420	67,616	107,213	115,404	109,634	109,634	49,265	28,137	60,385
Vote 3 - Energy	18,272	12,254	18,533	21,150	36,150	34,343	34,343	21,760	22,700	22,700
Vote 4 - Water and Sanitation	39,109	22,770	8,784	8,600	19,300	18,335	18,335	3,000	2,500	-
Vote 5 - Waste Management	55,476	72,789	43,522	54,417	54,417	51,696	51,696	39,700	41,000	47,500
Vote 6 - Human Settlements	725	1,091	954	980	78,010	74,110	74,110	1,080	1,180	1,199
Vote 7 - City Planning	1,216	3,951	4,473	4,150	4,150	3,943	3,943	4,400	4,800	3,500
Vote 8 - Economic Development	144	1,075	3,665	4,100	4,300	4,085	4,085	5,000	5,680	3,940
Vote 9 - Disaster and Emergency Management Services	23,980	70,829	32,771	45,620	46,520	44,194	44,194	48,530	58,170	66,640
Vote 10 - Sport, Recreation, Arts & Culture (SRAC)	5,943	33,385	26,433	27,800	26,800	25,460	25,460	31,500	23,000	22,000
Vote 11 - Health and Social Development	23,454	23,934	16,808	15,700	15,800	15,010	15,010	14,000	18,700	18,600
Vote 12 - Environmental Resource Management	10,100	27,983	1,472	1,495	995	945	945	55,580	60,225	59,700
Vote 13 - Ekurhuleni Metropolitan Police Department (EMPD)	15,076	33,055	43,796	97,590	102,090	96,986	96,986	54,695	56,500	64,200
Vote 14 - Transport	1,836	2,451	16,321	47,452	47,452	45,079	45,079	47,100	8,300	91,700
Vote 15 - Roads and Stormwater	6,560	6,174	13,871	14,200	21,200	20,140	20,140	23,200	23,600	23,700
Capital single-year expenditure sub-total	280,094	342,763	307,084	457,700	579,821	550,830	550,830	406,753	372,672	494,794
Total Capital Expenditure - Vote	2,001,014	2,370,437	2,612,301	3,790,366	3,810,950	3,620,402	3,620,402	4,471,563	4,958,028	5,182,445

EKURHULENI METROPOLITAN MUNICIPALITY – FINAL BUDGET 2015/16 TO 2017/18

EKU Ekurhuleni Metro - Table A5 Budgeted Capital Expenditure by vote, standard classification and funding										
Vote Description	2011/12	2012/13	2013/14	Current Year 2014/15				2015/16 Medium Term Revenue & Expenditure Framework		
R thousand	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
Capital Expenditure - Standard										
<i>Governance and administration</i>	278,405	309,799	319,024	475,026	515,444	489,672	489,672	598,433	760,493	1,100,332
Executive and council	20,295	16,581	60,950	27,143	11,143	10,586	10,586	12,883	223,390	10,170
Budget and treasury office	113,101	161,198	124,847	265,162	278,081	264,177	264,177	261,085	226,816	748,600
Corporate services	145,009	132,021	133,226	182,721	226,221	214,910	214,910	324,465	310,288	341,562
<i>Community and public safety</i>	398,077	503,416	497,464	859,617	880,957	836,909	836,909	1,218,222	1,260,041	1,031,429
Community and social services	91,171	108,658	100,033	151,475	160,993	152,944	152,944	258,755	201,211	221,700
Sport and recreation	25,719	69,519	122,117	46,600	44,549	42,322	42,322	73,000	61,000	48,000
Public safety	78,132	153,513	128,177	234,950	250,066	237,563	237,563	202,875	235,870	211,020
Housing	86,615	65,677	53,584	329,992	328,749	312,311	312,311	579,292	608,760	375,589
Health	116,439	106,048	93,552	96,600	96,600	91,770	91,770	104,300	153,200	175,120
<i>Economic and environmental services</i>	423,261	686,049	908,302	1,274,388	1,280,726	1,216,690	1,216,690	1,477,369	1,485,394	1,625,984
Planning and development	27,869	43,352	41,248	47,700	45,900	43,605	43,605	62,700	50,080	27,440
Road transport	387,169	634,958	855,627	1,215,193	1,225,331	1,164,065	1,164,065	1,403,944	1,421,389	1,585,544
Environmental protection	8,223	7,739	11,427	11,495	9,495	9,020	9,020	10,725	13,925	13,000
<i>Trading services</i>	897,068	858,625	868,388	1,165,584	1,118,072	1,062,168	1,062,168	1,159,840	1,429,200	1,421,700
Electricity	391,268	388,369	375,222	578,150	544,650	517,418	517,418	529,760	741,700	721,700
Water	166,614	230,152	269,434	333,300	358,448	340,525	340,525	257,000	329,500	360,000
Waste water management	221,070	112,219	116,400	127,217	113,679	107,995	107,995	255,100	178,500	155,000
Waste management	118,116	127,886	107,332	126,917	101,295	96,231	96,231	117,980	179,500	185,000
<i>Other</i>	4,204	12,547	19,123	15,750	15,750	14,963	14,963	17,700	22,900	3,000
Total Capital Expenditure - Standard	2,001,014	2,370,437	2,612,301	3,790,366	3,810,950	3,620,402	3,620,402	4,471,563	4,958,028	5,182,445

EKU Ekurhuleni Metro - Table A5 Budgeted Capital Expenditure by vote, standard classification and funding										
Vote Description	2011/12	2012/13	2013/14	Current Year 2014/15				2015/16 Medium Term Revenue & Expenditure Framework		
R thousand	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
Funded by:										
National Government	1,225,271	1,074,311	1,495,287	1,920,981	2,033,437	2,033,437	2,033,437	1,943,477	2,192,480	2,359,934
Provincial Government	31,156	34,174	19,156	76,700	5,826	5,826	5,826	32,079	8,000	6,000
District Municipality										
Other transfers and grants	15,955	–	26,259	5,500	4,500	4,500	4,500	–	–	–
Transfers recognised - capital	1,272,382	1,108,485	1,540,702	2,003,181	2,043,763	2,043,763	2,043,763	1,975,556	2,200,480	2,365,934
Public contributions & donations	5,662	13,644								
Borrowing	475,500	965,258	838,118	1,234,110	1,246,032	1,081,543	1,081,543	1,006,655	1,812,300	1,711,600
Internally generated funds	247,470	283,050	233,482	553,075	521,154	495,096	495,096	1,489,353	945,248	1,104,911
Total Capital Funding	2,001,014	2,370,437	2,612,301	3,790,366	3,810,950	3,620,402	3,620,402	4,471,563	4,958,028	5,182,445

Explanatory notes to MBRR Table A5 - Budgeted Capital Expenditure by vote, standard classification and funding source

1. Table A5 is a breakdown of the capital programme in relation to capital expenditure by municipal vote (multi-year and single-year appropriations); capital expenditure by standard classification; and the funding sources necessary to fund the Capital Budget, including information on capital transfers from national and provincial departments.
2. The MFMA provides that a municipality may approve multi-year or single-year Capital Budget appropriations. In relation to multi-year appropriations for 2015/16, R4.065 billion has been allocated of the R4.471 billion Capital Budget, which totals 90.90%. This allocation escalates to R4.585 billion in 2016/17 and R4.687 billion in 2017/18.
3. Single-year capital expenditure has been appropriated at R406.7m for the 2015/16 financial year and remains relatively constant over the MTREF at levels of R372.6m and R494.7m respectively for the two outer years.
4. Unlike multi-year capital appropriations, single-year appropriations relate to expenditure that will be incurred in the specific budget year such as the procurement of vehicles and specialised tools and equipment. The budget appropriations for the two outer years are indicative allocations based on the departmental business plans as informed by the IDP and will be reviewed on an annual basis to assess the relevance of the expenditure in relation to the strategic objectives and service delivery imperatives of the metro. For the purpose of funding assessment of the MTREF, these appropriations have been included but no commitments will be incurred against single-year appropriations for the two outer-years.
5. In terms of Circular 58, any downward adjustments for 2015/16 (relating to the multi-year appropriation for 2015/16) in the 2014/15 budget must be explained. The following votes had downward adjustments:
 - Council General – the ERP System has been moved to ICT department
 - Energy - Network enhancement and substation projects delayed
 - Health & Social Development - Construction of 3 clinics (Bonaero Park, Chief Albert Luthuli and Kempton Park clinic) delayed with a year. Planning will continue in 2015/16
 - Real Estate – Metro Parks division was previously part of the Real Estate department, now moved to Environmental Resources Management
 - Transport – Reduction in the Public Transport Network Grant
 - Waste Management – The Simmer and Jack Waste site as well as the air space development projects are still under planning and construction will commence in the 2016/17 financial year.
6. The capital programme is funded from capital and provincial grants and transfers, public contributions and donations, borrowing and internally generated funds from current year surpluses. For 2015/16, capital grants and transfers totals R1.976 billion (44.18%) and increases to R2.200 billion by 2016/17 (44.38%). It then escalates to R2.366 billion (45.65%). A substantial portion of the Capital Budget will be funded from borrowing over MTREF, with anticipated borrowings of R1.007 billion in 2015/16). Borrowing is estimated at R1.812 billion in 2016/17 and R1.712 billion in the 2017/18 financial years. The balance will be funded from internally generated funding totalling R1.489 billion R945 million and R1.105 billion in the respective multi-year budgets. These funding sources are further discussed in detail in 2.6 (overview of budget funding).

Table 27 MBRR Table A6 - Budgeted Financial Position

EKU Ekurhuleni Metro - Table A6 Budgeted Financial Position										
Description	2011/12	2012/13	2013/14	Current Year 2014/15				2015/16 Medium Term Revenue & Expenditure Framework		
R thousand	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
ASSETS										
Current assets										
Cash	2,838,424	4,374,377	5,894,540	4,341,321	4,361,320	4,782,398	4,782,398	4,685,187	5,328,190	6,267,103
Call investment deposits	21,285	22,771	143,070	22,771	22,771	143,070	143,070	143,070	143,070	143,070
Consumer debtors	3,008,134	3,552,483	4,460,073	2,674,035	2,674,035	4,474,035	4,474,035	4,521,926	4,608,024	4,654,964
Other debtors	331,876	503,663	605,178	486,351	486,351	486,351	486,351	486,351	486,351	486,351
Current portion of long-term receivables	-	-	-	-	-	-	-	-	-	-
Inventory	145,046	128,801	155,324	187,875	187,875	152,875	152,875	153,876	154,462	155,086
Total current assets	6,344,765	8,582,096	11,258,186	7,712,353	7,732,351	10,038,728	10,038,728	9,990,410	10,720,097	11,706,574
Non current assets										
Long-term receivables	2,520	2,387	2,506	2,477	2,477	2,477	2,477	2,477	2,477	2,477
Investments	472,185	804,214	637,262	758,811	758,811	638,512	638,512	925,950	1,213,387	1,500,825
Investment property	110,247	128,920	152,511	161,144	161,144	161,144	161,144	161,144	161,144	161,144
Investment in Associate	0	0	0	0	0	0	0	0	0	0
Property, plant and equipment	42,678,424	43,211,484	43,788,346	49,605,254	49,625,837	43,605,254	43,605,254	46,349,666	49,460,636	52,445,514
Agricultural	-	-	-	-	-	-	-	-	-	-
Biological	-	-	-	-	-	-	-	-	-	-
Intangible	66,507	107,278	122,698	113,260	113,260	113,260	113,260	113,260	113,229	113,148
Other non-current assets	78,395	87,152	87,172	97,990	97,990	97,990	97,990	97,990	97,990	97,990
Total non current assets	43,408,278	44,341,435	44,790,496	50,738,936	50,759,519	44,618,637	44,618,637	47,650,486	51,048,863	54,321,097
TOTAL ASSETS	49,753,043	52,923,531	56,048,682	58,451,289	58,491,871	54,657,365	54,657,365	57,640,896	61,768,960	66,027,671

EKURHULENI METROPOLITAN MUNICIPALITY – FINAL BUDGET 2015/16 TO 2017/18

EKU Ekurhuleni Metro - Table A6 Budgeted Financial Position										
Description	2011/12	2012/13	2013/14	Current Year 2014/15				2015/16 Medium Term Revenue & Expenditure Framework		
R thousand	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
LIABILITIES										
Current liabilities										
Bank overdraft										
Borrowing	182,305	629,421	267,666	222,087	222,087	222,087	222,087	267,666	286,075	306,507
Consumer deposits	532,611	620,477	643,209	631,860	631,860	631,860	631,860	648,052	664,648	681,659
Trade and other payables	3,712,879	4,608,704	5,352,657	3,703,075	3,703,075	4,953,075	4,953,075	4,960,804	4,969,403	4,978,950
Provisions	259,426	236,209	272,930	301,781	301,781	301,781	301,781	301,781	301,781	301,781
Total current liabilities	4,687,221	6,094,811	6,536,463	4,858,802	4,858,802	6,108,802	6,108,802	6,178,303	6,221,906	6,268,897
Non current liabilities										
Borrowing	4,333,206	4,503,777	5,021,111	6,252,384	6,252,384	4,852,384	4,852,384	5,745,802	7,603,619	9,288,279
Provisions	2,151,470	2,520,196	2,829,947	2,625,767	2,625,767	2,625,767	2,625,767	2,835,387	3,059,072	3,297,766
Total non current liabilities	6,484,677	7,023,973	7,851,057	8,878,151	8,878,151	7,478,151	7,478,151	8,581,189	10,662,691	12,586,045
TOTAL LIABILITIES	11,171,898	13,118,784	14,387,520	13,736,953	13,736,953	13,586,953	13,586,953	14,759,493	16,884,597	18,854,942
NET ASSETS	38,581,145	39,804,748	41,661,162	44,714,335	44,754,917	41,070,412	41,070,412	42,881,403	44,884,363	47,172,729
COMMUNITY WEALTH/EQUITY										
Accumulated Surplus/(Deficit)	38,581,145	39,001,562	40,656,147	43,668,149	43,708,731	40,024,226	40,024,226	41,688,217	43,541,177	45,579,543
Reserves	–	803,186	1,005,015	1,046,186	1,046,186	1,046,186	1,046,186	1,193,186	1,343,186	1,593,186
Minorities' interests										
TOTAL COMMUNITY WEALTH/EQUITY	38,581,145	39,804,748	41,661,162	44,714,335	44,754,917	41,070,412	41,070,412	42,881,403	44,884,363	47,172,729

Explanatory notes to MBRR Table A6 - Budgeted Financial Position

1. Table MBRR A6 is consistent with international standards of good financial management practice, and improves councilors' and management's understanding of the impact of the budget on the statement of financial position (balance sheet).
2. This format of presenting the statement of financial position is aligned to GRAP1, which is generally aligned to the international version which presents assets less liabilities as "accounting" community wealth. The order of items within each group illustrates items in order of liquidity; i.e. assets readily converted to cash or liabilities immediately required to be met from cash, appear first.
3. Table 101 MBRR Table SA3 – supporting detail to the statement of financial position is supported by an extensive table of notes (SA3 which can be found on page 379) providing a detailed analysis of the major components of a number of items, including:
 - Call investments deposits.
 - Consumer debtors.
 - Property, plant and equipment.
 - Trade and other payables.
 - Provisions non-current.
 - Changes in net assets.
 - Reserves.
4. The municipal equivalent of equity is community wealth/equity. The justification is that ownership and the net assets of the municipality belong to the community.
5. Any movement on the budgeted financial performance or the Capital Budget will inevitably impact on the budgeted financial position. For example, the collection rate assumption will impact on the cash position of the municipality and subsequently inform the level of cash and cash equivalents at year end. Similarly, the collection rate assumption should inform the budget appropriation for debt impairment which in turn would impact on the provision for bad debt. These budget and planning assumptions form a critical link in determining the applicability and relevance of the budget as well as the determination of ratios and financial indicators. In addition, the funding compliance assessment is informed directly by forecasting the statement of financial position.

Table 28 MBRR Table A7 - Budgeted Cash Flow Statement

EKU Ekurhuleni Metro - Table A7 Budgeted Cash Flows										
Description	2011/12	2012/13	2013/14	Current Year 2014/15				2015/16 Medium Term Revenue & Expenditure Framework		
R thousand	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
CASH FLOW FROM OPERATING ACTIVITIES										
Receipts										
Property rates, penalties & collection charges	14,289,572	15,664,592	16,903,809	21,272,093	21,376,654	21,034,815	21,034,815	4,190,610	4,616,137	5,124,989
Service charges								18,196,441	20,290,155	22,508,158
Other revenue								746,436	2,387,776	2,538,111
Government - operating	3,221,894	3,711,812	3,825,396	2,683,115	2,812,966	2,683,115	2,683,115	4,465,243	3,112,830	3,457,959
Government - capital	1,301,441	1,167,478	1,629,069	2,003,181	2,043,763	2,003,181	2,003,181	1,975,556	2,200,480	2,365,934
Interest	353,623	497,248	732,360	439,964	501,919	439,964	439,964	589,465	639,793	694,433
Dividends								-	-	-
Payments										
Suppliers and employees	(15,215,152)	(16,023,400)	(17,546,823)	(21,026,331)	(21,358,081)	(20,322,989)	(20,322,989)	(24,380,964)	(26,807,464)	(29,376,569)
Finance charges	(453,418)	(522,866)	(572,960)	(706,964)	(670,458)	(706,964)	(706,964)	(763,197)	(858,587)	(965,921)
Transfers and Grants	(426,285)	(960,645)	(1,060,444)	(1,049,071)	(1,050,195)	(1,049,071)	(1,049,071)	(1,112,987)	(1,235,472)	(1,360,401)
NET CASH FROM/(USED) OPERATING ACTIVITIES	3,071,675	3,534,219	3,910,406	3,615,986	3,656,568	4,082,051	4,082,051	3,906,600	4,345,647	4,986,691
CASH FLOWS FROM INVESTING ACTIVITIES										
Receipts										
Proceeds on disposal of PPE	1,646							-	-	-
Decrease (Increase) in non-current debtors	-							-	-	-
Decrease (increase) other non-current receivables	(187)	133	(120)					-	-	-
Decrease (increase) in non-current investments	(242,575)	(333,515)	46,654	(158,811)	(158,811)	(158,811)	(158,811)	(287,437)	(287,437)	(287,437)
Payments										
Capital assets	(2,001,014)	(2,370,437)	(2,615,088)	(3,790,366)	(3,810,950)	(3,790,366)	(3,790,366)	(4,471,563)	(4,958,028)	(5,182,445)
NET CASH FROM/(USED) INVESTING ACTIVITIES	(2,242,131)	(2,703,819)	(2,568,554)	(3,949,177)	(3,969,761)	(3,949,177)	(3,949,177)	(4,759,001)	(5,245,465)	(5,469,883)
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Short term loans	-							-	-	-
Borrowing long term/refinancing	800,000	800,000	785,000	1,100,000	1,100,000	1,100,000	1,100,000	1,006,665	1,812,300	1,711,600
Increase (decrease) in consumer deposits	45,573	87,866	22,731	40,784	40,784	15,797	15,797	16,191	16,596	17,011
Payments										
Repayment of borrowing	(175,557)	(182,314)	(629,421)	(222,087)	(222,087)	(222,087)	(222,087)	(267,666)	(286,075)	(306,507)
NET CASH FROM/(USED) FINANCING ACTIVITIES	670,016	705,553	178,311	918,698	918,698	893,710	893,710	755,190	1,542,821	1,422,104
NET INCREASE/ (DECREASE) IN CASH HELD	1,499,561	1,535,953	1,520,163	585,507	605,505	1,026,583	1,026,583	(97,211)	643,003	938,912
Cash/cash equivalents at the year begin:	1,338,863	2,838,424	4,374,377	3,755,814	3,755,814	3,755,814	3,755,814	4,782,398	4,685,187	5,328,190
Cash/cash equivalents at the year end:	2,838,424	4,374,377	5,894,540	4,341,321	4,361,320	4,782,398	4,782,398	4,685,187	5,328,190	6,267,103

Table 29 MBRR Table A8 – Cash-backed Reserves/Accumulated Surplus Reconciliation

Eku Ekurhuleni Metro - Table A8 Cash backed reserves/accumulated surplus reconciliation										
Description	2011/12	2012/13	2013/14	Current Year 2014/15				2015/16 Medium Term Revenue & Expenditure Framework		
R thousand	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
Cash and investments available										
Cash/cash equivalents at the year end	2,838,424	4,374,377	5,894,540	4,341,321	4,361,320	4,782,398	4,782,398	4,685,187	5,328,190	6,267,103
Other current investments > 90 days	21,285	22,772	143,070	22,771	22,771	143,070	143,070	143,070	143,070	143,070
Non current assets - Investments	472,185	804,214	637,262	758,811	758,811	638,512	638,512	925,950	1,213,387	1,500,825
Cash and investments available:	3,331,895	5,201,363	6,674,872	5,122,903	5,142,902	5,563,980	5,563,980	5,754,207	6,684,647	7,910,997
Application of cash and investments										
Unspent conditional transfers	99,676	232,407	370,603	-	-	-	-	-	-	-
Unspent borrowing	87,660	412,161	246,903	-	-	135,959	-	-	-	-
Statutory requirements										
Other working capital requirements	645,190	692,334	555,985	828,143	826,862	479,059	479,059	535,900	170,152	132,250
Other provisions	684,614	762,445	743,849	913,399	913,399	913,399	913,399	594,532	638,079	638,079
Long term investments committed	464,610	819,320	772,469	615,526	615,526	615,526	615,526	1,059,906	1,347,344	1,634,781
Reserves to be backed by cash/investments		803,186	1,005,015	1,046,186	1,046,186	1,046,186	1,046,186	1,193,186	1,343,186	1,593,186
Total Application of cash and investments:	1,981,751	3,721,852	3,694,823	3,403,254	3,401,973	3,190,129	3,054,170	3,383,524	3,498,760	3,998,296
Surplus(shortfall)	1,350,144	1,479,511	2,980,049	1,719,650	1,740,929	2,373,851	2,509,810	2,370,682	3,185,887	3,912,701
Other working capital requirements										
Debtors	2,968,013	3,683,963	4,426,070	2,874,932	2,876,213	4,474,016	4,474,016	4,424,904	4,799,251	4,846,700
Creditors due	3,613,203	4,376,297	4,982,055	3,703,075	3,703,075	4,953,075	4,953,075	4,960,804	4,969,403	4,978,950
Total	(645,190)	(692,334)	(555,985)	(828,143)	(826,862)	(479,059)	(479,059)	(535,900)	(170,152)	(132,250)
Debtors collection assumptions										
Balance outstanding - debtors	3,342,530	4,058,533	5,067,758	3,162,863	3,162,863	4,962,863	4,962,863	5,010,754	5,096,853	5,143,792
Estimate of debtors collection rate	88.8%	90.8%	87.3%	90.9%	90.9%	90.1%	90.1%	88.3%	94.2%	94.2%

Explanatory notes to MBRR Table A7 - Budgeted Cash Flow Statement

1. The budgeted cash flow statement is the first measurement in determining if the budget is funded.
2. It shows the expected level of cash inflow versus cash outflow that is likely to result from the implementation of the budget.
3. It can be seen that the metro's cash levels are increasing steadily.
4. The cash and cash equivalents increase because of healthy increases in operational activities due to implementations of various interventions, i.e. extensive debt collection drive.
5. The 2015/16 MTREF has been informed by the planning principle of ensuring adequate cash reserves over the medium-term.
6. Cash and cash equivalents are expected to improve steadily to R6.2 billion in 2017/18. This increase is in line with the metro's aim to achieve a three-month operating expenses coverage with its available cash and cash equivalents balances in the near future. As can be seen from the table, the metro has a healthy net cash inflow from its operating activities. This result steadily increases over the MTREF period. This indicates that the cash inflows (inflows from ratepayers, etc.) generated from operating activities substantially exceeds the cash outflows (outflows to suppliers, employees etc.) of the operating activities. The significant net cash outflows from investing activities indicates inter alia that the metro is spending vast amounts on capital assets (property, plant and equipment etc.). This is made possible largely due to the healthy net cash inflows from operating activities mentioned above. The net cash inflows from financing activities is largely due to existing bonds and new bonds that will be taken up during the MTREF, as discussed in various sections within this document.

Explanatory notes to MBRR Table A8 – Cash-backed Reserves/Accumulated Surplus Reconciliation

1. The cash-backed reserves/accumulated surplus reconciliation is aligned to the requirements of MFMA Circular 42 – Funding a Municipal Budget. It is also in line with Council's Funding and Reserves Policy.
2. In essence, the table evaluates the funding levels of the budget by firstly forecasting the cash and investments at year end and secondly reconciling the available funding to the liabilities/commitments that exist.
3. The outcome of this exercise would either be a surplus or deficit. A deficit would indicate that the applications exceed the cash and investments available and would be indicative of non-compliance with the MFMA requirements that the municipality's budget must be "funded".
4. Non-compliance with section 18 of the MFMA is assumed because a shortfall would indirectly indicate that the annual budget is not appropriately funded.
5. The end objective of the medium-term framework is to ensure the budget is funded and aligned to Section 18 of the MFMA.
6. From the table it can be seen that the cash surplus is increasing over the years.

7. As part of the budgeting and planning guidelines that informed the compilation of the 2015/16 MTREF and considering the requirements of Section 18 of the MFMA, it can be concluded that the 2015/16 MTREF is funded due to the significant cash surplus.
8. Cash and investments available increase from R6.7 billion in 2013/14, to R7.9 billion in 2017/18, mainly due to the increase in the cash and cash equivalents, as discussed in the cash flow section. The application of cash and commitments similarly increase from R3 billion to R4 billion in 2017/18. This is mainly due to long-term investments (sinking funds) committed to repay borrowings, as well as the increase in cash-backed reserves. Overall the surplus indicates healthy growth to 2017/18. This increase is in line with the metro's aim to achieve a three-month operating expenses coverage with its available cash and cash equivalents balances in the near future.

Table 30 MBRR Table A9 - Asset Management

EKU Ekurhuleni Metro - Table A9 Asset Management									
Description	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
R thousand	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
CAPITAL EXPENDITURE									
Total New Assets	949,047	1,264,177	1,428,313	2,143,569	2,287,710	2,173,324	2,501,443	3,130,880	3,325,234
Infrastructure - Road transport	86,786	408,772	551,047	748,851	887,875	843,481	819,194	953,389	1,085,544
Infrastructure - Electricity	269,673	104,449	239,441	454,850	396,350	376,533	420,000	608,800	588,800
Infrastructure - Water	8,956	146,756	219,756	302,600	319,972	303,973	157,000	250,000	320,000
Infrastructure - Sanitation	75,797	65,196	70,591	79,017	73,617	69,937	175,600	77,000	70,000
Infrastructure - Other	193,344	195,390	178,384	106,200	87,900	83,505	123,500	290,300	67,000
Infrastructure	634,556	920,563	1,259,219	1,691,519	1,765,714	1,677,429	1,695,294	2,179,489	2,131,344
Community	131,651	139,856	97,455	103,050	93,187	88,528	97,200	125,711	146,000
Investment properties	52,934	64,587	15,174	196,800	287,556	273,179	481,920	547,580	294,390
Other assets	129,907	139,171	56,465	152,200	141,252	134,189	227,029	278,100	753,500
Total Renewal of Existing Assets	1,051,967	1,106,260	1,183,988	1,646,797	1,523,240	1,447,078	1,970,120	1,827,148	1,857,211
Infrastructure - Road transport	223,653	147,490	221,913	286,450	200,650	190,618	384,650	337,300	302,000
Infrastructure - Electricity	100,456	271,666	117,248	102,150	112,150	106,543	88,000	110,200	110,200
Infrastructure - Water	268,125	76,726	36,688	22,100	19,176	18,217	72,000	77,000	40,000
Infrastructure - Sanitation	28,654	47,023	45,809	48,200	40,061	38,058	92,500	101,500	85,000
Infrastructure - Other	99,807	88,976	83,790	297,530	272,428	258,807	458,254	495,677	509,917
Infrastructure	720,695	631,881	505,448	756,430	644,465	612,242	1,095,404	1,121,677	1,047,117
Community	67,406	80,575	183,803	168,000	193,500	183,825	280,400	173,300	285,000
Investment properties	-	-	37,456	82,000	-	-	37,212	-	-
Other assets	263,866	393,804	457,282	640,367	685,274	651,011	557,104	532,172	525,094
Total Capital Expenditure									
Infrastructure - Road transport	310,439	556,262	772,960	1,035,301	1,088,525	1,034,099	1,203,844	1,290,689	1,387,544
Infrastructure - Electricity	370,129	376,115	356,689	557,000	508,500	483,075	508,000	719,000	699,000
Infrastructure - Water	277,080	223,482	256,444	324,700	339,148	322,190	229,000	327,000	360,000
Infrastructure - Sanitation	104,451	112,219	116,400	127,217	113,679	107,995	268,100	178,500	155,000
Infrastructure - Other	293,152	284,366	262,174	403,730	360,328	342,312	581,754	785,977	576,917
Infrastructure	1,355,251	1,552,444	1,764,667	2,447,949	2,410,179	2,289,670	2,790,698	3,301,166	3,178,461
Community	199,057	220,431	281,258	271,050	286,687	272,353	377,600	299,011	431,000
Investment properties	52,934	64,587	52,630	278,800	287,556	273,179	519,133	547,580	294,390
Other assets	393,773	532,976	513,747	792,567	826,527	785,200	784,133	810,272	1,278,594
TOTAL CAPITAL EXPENDITURE - Asset class	2,001,014	2,370,437	2,612,301	3,790,366	3,810,950	3,620,402	4,471,563	4,958,028	5,182,445
ASSET REGISTER SUMMARY - PPE (WDV)									
Infrastructure - Road transport	16,015,294	16,661,474	15,369,530	18,950,778	18,960,916	16,183,030	16,557,242	16,941,656	17,214,578
Infrastructure - Electricity	12,690,004	13,261,875	12,232,503	15,084,070	15,050,570	12,881,052	13,021,325	13,310,435	13,517,234
Infrastructure - Water	3,018,449	3,099,188	2,730,653	3,525,020	3,550,167	3,010,193	3,415,211	3,813,031	4,208,897
Infrastructure - Sanitation	3,037,819	3,096,661	2,775,997	3,522,146	3,508,607	3,007,739	3,007,739	3,007,739	3,007,739
Infrastructure - Other	668,875	648,663	573,161	771,200	771,200	771,200	1,421,120	2,141,528	3,412,767
Infrastructure	35,430,441	36,767,662	33,681,845	41,853,213	41,841,460	35,853,214	37,422,636	39,214,389	41,361,215
Community	3,653,445	3,534,696	3,302,879	4,092,067	4,087,785	4,092,067	5,470,943	6,967,119	8,196,191
Heritage assets	78,395	78,395	87,172	97,990	97,990	97,990	97,990	97,990	97,990
Investment properties	110,247	128,920	152,511	161,144	161,144	161,144	161,144	161,144	161,144
Other assets	3,516,143	2,830,530	6,716,450	3,561,983	3,598,601	3,561,983	3,358,097	3,181,137	2,790,118
Intangibles	66,507	107,278	122,698	113,260	113,260	113,260	113,260	113,229	113,148
TOTAL ASSET REGISTER SUMMARY - PPE (WDV)	42,855,177	43,447,682	44,063,556	49,879,657	49,900,241	43,879,657	46,624,069	49,735,008	52,719,805
EXPENDITURE OTHER ITEMS									
Depreciation & asset impairment	1,984,750	2,127,829	1,978,922	1,431,820	1,431,820	1,431,820	1,629,161	1,847,089	2,197,649
Repairs and Maintenance by Asset Class	1,737,189	1,172,046	1,336,283	2,355,214	2,479,574	2,345,351	2,719,615	3,010,473	3,273,238
Infrastructure - Road transport	392,310	228,239	248,973	477,973	477,486	279,767	540,535	588,821	640,689
Infrastructure - Electricity	582,466	401,513	465,127	795,636	796,610	920,828	883,107	974,694	1,074,943
Infrastructure - Water	263,802	133,551	113,380	343,483	371,713	293,907	374,350	405,760	437,955
Infrastructure - Sanitation	85,982	25,655	89,576	83,103	171,465	140,319	187,805	203,804	220,800
Infrastructure - Other	52,953	57,315	55,799	68,007	68,007	71,659	61,379	66,289	71,592
Infrastructure	1,377,514	846,272	972,855	1,768,203	1,885,282	1,706,480	2,047,175	2,239,368	2,445,979
Community	43,852	51,307	65,264	85,528	98,176	116,580	109,173	149,124	159,209
Heritage assets	100,420	90,443	109,921	229,015	222,895	173,605	234,166	266,757	286,703
Investment properties	22,401	25,615	26,772	26,638	26,638	33,424	30,239	33,868	37,932
Other assets	193,002	158,410	161,470	245,830	246,583	315,262	298,862	321,357	343,416
TOTAL EXPENDITURE OTHER ITEMS	3,721,939	3,299,875	3,315,205	3,787,034	3,911,394	3,777,171	4,348,776	4,857,561	5,470,887
Renewal of Existing Assets as % of total capex	52.6%	46.7%	45.3%	43.4%	40.0%	40.0%	44.1%	36.9%	35.8%
Renewal of Existing Assets as % of deprecn"	53.0%	52.0%	59.8%	115.0%	106.4%	101.1%	120.9%	98.9%	84.5%
R&M as a % of PPE	4.1%	2.7%	3.1%	4.7%	5.0%	5.4%	5.9%	6.1%	6.2%
Renewal and R&M as a % of PPE	7.0%	5.0%	6.0%	8.0%	8.0%	9.0%	10.0%	10.0%	10.0%

Explanatory notes to MBRR Table A9 - Asset Management

1. Table A9 provides an overview of municipal capital allocations to building new assets and the renewal of existing assets, as well as spending on repairs and maintenance by asset class.
2. National Treasury has recommended that municipalities should allocate at least 40% of their Capital Budget to the renewal of existing assets, and allocations to repairs and maintenance should be 8% of PPE. The metro meets the 40% renewal requirement.
3. The repairs and maintenance is not met due to the EMM having revalued its assets with the first time adoption of GRAP 17 and asset values are currently high in relation to other municipalities. However, the R&M budget is increased significantly increased to meet not only the meet the NT benchmark target of 8%, but to improve the service delivery to the community. The percentage is increased from the current 4.7% to 5.9% in 2015/16.
4. The following graph provides an analysis between depreciation and operational repairs and maintenance over the MTREF. It highlights the metro's strategy to address the maintenance backlog.

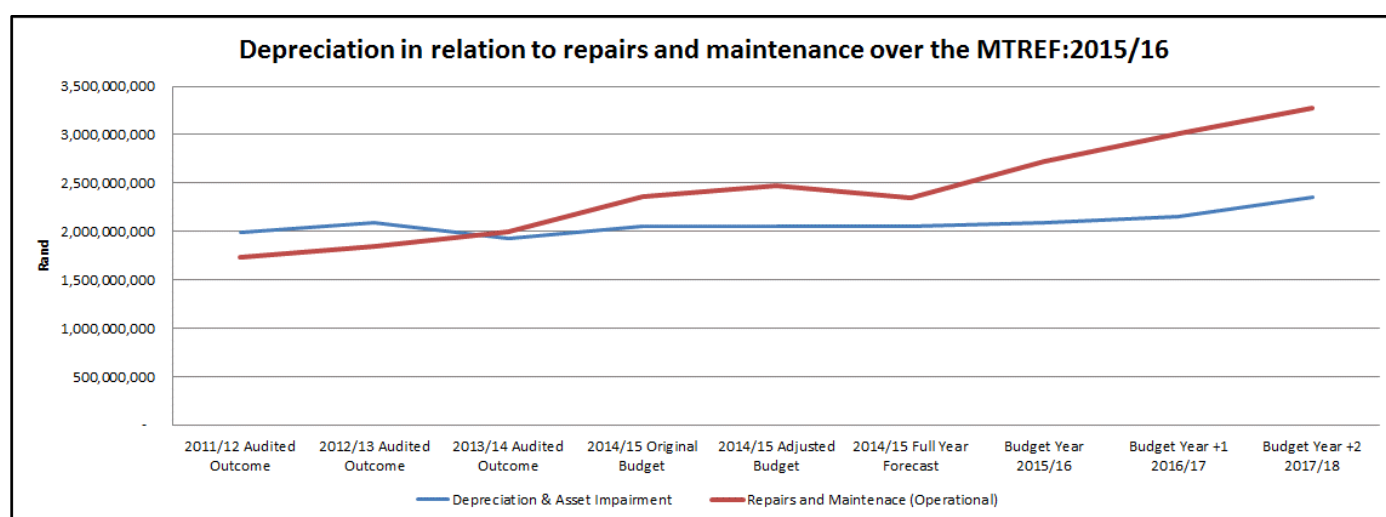
**Figure 4 Depreciation in relation to repairs and maintenance over the MTREF**

Table 31 MBRR Table A10 - Basic Service Delivery Measurement

Eku Ekurhuleni Metro - Table A10 Basic service delivery measurement									
Description	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
	Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year	Budget Year +1 2016/17	Budget Year +2 2017/18
Household service targets									
Water:									
Piped water inside dwelling	465,881	473,800	481,855	494,882	504,196	504,196	504,196	521,339	539,065
Piped water inside yard (but not in dwelling)	-	-	-	-	176,357	176,357	176,357	182,353	188,553
Using public tap (at least min.service level)	162,414	162,414	162,414	162,414	143,716	143,716	143,716	148,602	153,655
Other water supply (at least min.service level)	2,000	2,000	2,000	2,000	2,211	2,211	2,211	2,286	2,364
<i>Minimum Service Level and Above sub-total</i>	630,295	638,214	646,269	659,296	826,481	826,481	826,481	854,581	883,637
Using public tap (< min.service level)	20,000	20,000	20,000	20,000	21,383	21,383	22,110	22,862	23,639
Other water supply (< min.service level)	-	-	-	-	-	-	-	-	-
No water supply	-	-	-	-	-	-	-	-	-
<i>Below Minimum Service Level sub-total</i>	20,000	20,000	20,000	20,000	21,383	21,383	22,110	22,862	23,639
Total number of households	650,295	658,214	666,269	679,296	847,864	847,864	848,591	877,443	907,276
Sanitation/sewerage:									
Flush toilet (connected to sewerage)	615,603	464,673	472,592	480,647	680,554	680,554	703,692	727,618	752,357
Flush toilet (with septic tank)	3,000	1,208	1,208	1,208	3,317	3,317	3,429	3,546	3,666
Chemical toilet	90,000	95,500	95,500	100,000	99,496	99,496	102,879	106,376	109,993
Pit toilet (ventilated)	60,000	66,914	66,914	62,414	66,330	66,330	68,586	70,918	73,329
Other toilet provisions (> min.service level)	-	-	-	-	-	-	-	-	-
<i>Minimum Service Level and Above sub-total</i>	768,603	628,295	636,214	644,269	849,696	849,696	878,586	908,458	939,345
Bucket toilet	-	-	-	-	-	-	-	-	-
Other toilet provisions (< min.service level)	-	-	-	-	-	-	-	-	-
No toilet provisions	-	-	-	-	-	-	-	-	-
<i>Below Minimum Service Level sub-total</i>	-	-	-	-	-	-	-	-	-
Total number of households	768,603	628,295	636,214	644,269	849,696	849,696	878,586	908,458	939,345

EKURHULENI METROPOLITAN MUNICIPALITY – FINAL BUDGET 2015/16 TO 2017/18

EKU Ekurhuleni Metro - Table A10 Basic service delivery measurement									
Description	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
	Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year	Budget Year +1 2016/17	Budget Year +2 2017/18
<u>Energy:</u>									
Electricity (at least min.service level)	171,994	176,994	185,000	181,300	190,141	190,141	145,000	149,350	153,831
Electricity - prepaid (min.service level)	320,000	330,000	340,000	360,000	342,707	342,707	405,000	417,150	429,665
<i>Minimum Service Level and Above sub-total</i>	491,994	506,994	525,000	541,300	532,848	532,848	550,000	566,500	583,495
Electricity (< min.service level)	-	-	-	-	-	-	-	-	-
Electricity - prepaid (< min. service level)	-	-	-	-	-	-	-	-	-
Other energy sources	-	-	-	-	-	-	27,000	47,000	67,000
<i>Below Minimum Service Level sub-total</i>	-	-	-	-	-	-	27,000	47,000	67,000
Total number of households	491,994	506,994	525,000	541,300	532,848	532,848	577,000	613,500	650,495
<u>Refuse:</u>									
Removed at least once a week	686,000	721,006	774,499	959,190	743,272	743,272	768,544	794,674	821,693
<i>Minimum Service Level and Above sub-total</i>	686,000	721,006	774,499	959,190	743,272	743,272	768,544	794,674	821,693
Removed less frequently than once a week									
Using communal refuse dump	164,000	169,125	181,673	181,673	181,303	181,303	187,468	193,841	200,432
Using own refuse dump	-	-	-	-	-	-	-	-	-
Other rubbish disposal	-	-	-	-	-	-	-	-	-
No rubbish disposal	-	-	-	-	-	-	-	-	-
<i>Below Minimum Service Level sub-total</i>	164,000	169,125	181,673	181,673	181,303	181,303	187,468	193,841	200,432
Total number of households	850,000	890,131	956,172	1,140,863	924,576	924,576	956,011	988,516	1,022,125
<u>Households receiving Free Basic Service</u>									
Water (6 kilolitres per household per month)	650,295	658,214	669,592	679,296	679,296	679,296	679,974	689,185	698,525
Sanitation (free minimum level service)	628,295	636,214	645,666	655,307	655,307	655,307	657,974	667,185	676,525
Electricity/other energy (50kwh per household per month)	-	-	310,000	270,000	264,184	264,184	336,100	346,183	356,568
Refuse (removed at least once a week)	-	-	42,040	42,040	42,040	42,040	279,699	296,481	314,269

EKURHULENI METROPOLITAN MUNICIPALITY – FINAL BUDGET 2015/16 TO 2017/18

EKU Ekurhuleni Metro - Table A10 Basic service delivery measurement									
Description	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
	Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year	Budget Year +1 2016/17	Budget Year +2 2017/18
<u>Cost of Free Basic Services provided (R'000)</u>									
Water (6 kilolitres per household per month)	17,756	19,752	309,505	362,728	362,728	362,728	845,887	940,477	1,032,593
Sanitation (free sanitation service)	5,833	6,088	130,152	155,058	155,058	155,058	334,581	366,366	399,339
Electricity/other energy (50kwh per household per month)	12,717	11,746	35,508	39,501	39,501	39,501	380,548	431,160	488,505
Refuse (removed once a week)	2,295	3,770	43,000	43,000	43,000	43,000	212,163	230,849	250,479
Total cost of FBS provided (minimum social package)	38,601	41,356	518,165	600,287	600,287	600,287	1,773,177	1,968,852	2,170,916
<u>Highest level of free service provided</u>									
Property rates (R value threshold)	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000
Water (kilolitres per household per month)	9	9	9	9	9	9	9	9	9
Sanitation (kilolitres per household per month)	9	9	9	9	9	9	9	9	9
Sanitation (Rand per household per month)	43	63	69	74	74	74	82	89	98
Electricity (kwh per household per month)	100	100	100	100	100	100	100	100	100
Refuse (average litres per week)	240	240	240	240	240	240	240	240	240
<u>Revenue cost of free services provided (R'000)</u>									
Property rates (R15 000 threshold rebate)	512,920	552,865	575,507	618,670	611,894	611,894	666,627	753,289	836,150
Property rates (other exemptions, reductions and rebates)	106,676	111,737	120,547	148,410	145,870	146,057	151,034	170,668	189,442
Water	269,106	636,302	737,473	779,500	793,500	711,181	845,887	940,477	1,032,593
Sanitation	208,557	227,143	263,936	301,696	301,696	295,533	334,581	366,366	399,339
Electricity/other energy	–	192,447	335,531	261,137	261,137	292,490	255,903	286,611	321,005
Refuse	–	60,757	87,926	199,718	186,011	184,968	212,163	230,849	250,479
Municipal Housing - rental rebates	–	–	–	–	–	–	–	–	–
Housing - top structure subsidies	–	–	–	–	–	–	–	–	–
Other	–	17,719	16,617	22,810	22,884	9,727	60,023	63,324	66,807
Total revenue cost of free services provided (total social package)	1,097,260	1,798,970	2,137,537	2,331,940	2,322,991	2,251,848	2,526,216	2,811,584	3,095,815

Explanatory notes to MBRR Table A10 - Basic Service Delivery Measurement

1. It is anticipated that these FBS will cost the municipality R2.44 billion in 2015/16. This 'tax expenditure' needs to be seen within the context of the municipality's overall revenue management strategy – the more the municipality gives away, the less there is available to fund other services.
2. Table A10 provides an overview of service delivery levels, including backlogs (below minimum service level), for each of the main services.
3. The metro continues to make good progress with the eradication of backlogs:
4. The budget provides for 115 000 households to be registered as indigent in 2015/16, and therefore entitled to receiving FBS. The level of FBS will have to be reviewed to cover the cost of additional indigents given the rapid rate of immigration to the metro, especially by poor people seeking economic opportunities.

Part 2 – Supporting Documentation

2.1 Overview of the annual budget process

Section 53 of the MFMA requires the metro's mayor to provide general political guidance in the budget process and the setting of priorities that must guide the preparation of the budget. In addition, Chapter 2 of the Municipal Budget and Reporting Regulations states that the metro's mayor must establish a Budget Steering Committee to provide technical assistance to the mayor in discharging the responsibilities set out in Section 53 of the Act.

The Budget Steering Committee consists of the City Manager and senior metro officials, meeting under the chairpersonship of the MMC for Finance.

The primary aims of the Budget Steering Committee are to ensure:

- That the process followed to compile the budget complies with legislation and good budget practices.
- That there is proper alignment between the policy and service delivery priorities set out in the metro's IDP and the budget, taking into account the need to protect the financial sustainability of municipality.
- That the municipality's revenue and tariff setting strategies ensure that the cash resources needed to deliver services are available.
- That the various spending priorities of the different municipal departments are properly evaluated and prioritised in the allocation of resources.

2.1.1 Budget Process Overview

The key deadlines for the compilation of the IDP and MTREF was submitted to Council for approval during August 2014 as required by Section 21(b) of the MFMA. In terms of the approved key deadlines, the draft IDP and Budget must be **tabled** to Council at the end of **January 2015**. Input from the various oversight committees will be obtained after tabling and public participation is scheduled for April 2015 with **final adoption** of the IDP and budget during **May 2015**.

The Strategy and Corporate Planning Department conducted meetings with ward committees on 10 September 2014 to get input for the review of the IDP. During the period, ward committees were consulted to obtain their priorities and needs. The proposals formulated in terms of the high level results which departments will work towards achieving to support the GDS's 2055 programmes has been drafted. These still need further refinement in terms of detailed targets to be reflected in the SDBIP.

The IDP engaged meetings with each department during November 2014. This consisted of one-on-one engagement with departments to discuss the SDBIP and to finalise indicators and targets. The process also ensures that departmental outputs are aligned with national outcomes and the GDS.

The departments received budget compilation guidelines and templates to be submitted in support of their budget requests during October 2014.

Departments duly complied and submitted their Operating Budget and Capital Budget requests to the Finance Department for consolidation during November 2014. Consolidation of the departmental input received and analysis of the requests took place during November 2014.

IBALCO Meetings

The IDP, Budget, Assets and Liabilities Committee (IBALCO) have been set up as a subcommittee of the City Manager's Strategic Management Team (SMT). This committee is tasked with the technical evaluation of departmental budget requests. Meetings took place regularly since the initial budget process started, to consider all the matters affecting the compilation of the new budget.

IBALCO meetings took place prior to all the Budget Steering Committee meetings to review documentation before submission to the Budget Steering Committee.

Budget Steering Committee

The Budget Steering Committee was set up by the Executive Mayor in terms of Section 4 of the Municipal Budget and Reporting Regulations.

The Budget Steering Committee is chaired by the MMC Finance all the members of Mayoral Committee are invited to the meetings. The Executive Mayor is an ex officio member of the Budget Steering Committee and attended several meetings.

The following meetings were held by the Budget Steering Committee:

- 28 July 2014: Meeting to detail the key deadlines for the 2015/16 MTREF cycle.
- 20 August 2014: Meeting held to finalise the report for Council regarding the key deadlines and discussion of the Draft Medium-term Budget Policy Statement.
- 13-17 October 2014: Various meetings took place to look at budget related matters. It included the tabling of the raw budget requests for capital and operating prior to any balancing or prioritization. The BSC also looked at the progress made in terms of meetings the IDP needs as identified for the budget.
- 8 December 2014: Meeting held to discuss draft 2015/16 MTREF as well as the Adjustments Budget for the 2014/2015 financial year.
- 10 December 2014: Follow up meeting to finalise the agenda of the previous meeting.
- 19 January 2015: Meeting held to consider 2014/15 Adjustment Budget of departments as well as the draft budget to be submitted to Council in January 2015. The Revenue Frameworks of the main income generating services and budget related policies were also discussed.
- 6 May 2015: The final changes of the Operating and Capital Budget after the public participation meetings were discussed.

Key dates as approved by Council in August 2014 were as follows:

- First round public engagements which will entail individual meetings at CCA level with ward councillors and ward committees determine budget input from the community from **August – September 2014**. This will focus on the following:
 - Basic feedback on the past IDP Budget Process
 - Discussion of 5 Priorities of wards. It will include
 - The discussion of the 5 priorities as identified in the 2014/15 Budget cycle
 - Feedback how the priorities have / have not been accommodated in the current 2014/15 Budget (e.g. departmental plans and relation to

ward priorities as well as standard, Report on Capital Budget to be implemented in CCA per Ward)

- Give strategic direction and obtain the 5 priorities for the 2015/16 Budget cycle

The Strategy and Corporate Planning Department has already commenced to arrange ward committee meetings on **10 & 11 September 2014**.

- Tabling of an Unaudited Annual Report in Council (as per National Treasury Circular No 63 guidelines) for referral to Oversight Committees in **August 2014**.
- Interrogation of the Unaudited Annual Report by Oversight Committees from **October – November 2014**.
- Various Lekgotla meetings including the Mayoral Lekgotla in **September 2014** to set priorities for the IDP / Budget to be compiled.
- IDP engagements with the Departments - Draft Departmental Plans and SDBIP submitted as part of the IDP review process from **September to October 2014**. The departments must include the priorities as reconfirmed and identified at the Mayoral Lekgotla into consideration. The input from various stakeholders and forums must also be incorporated during the compilation of the priorities to ensure an all-inclusive and comprehensive prioritization.
- Preparation, submission and administrative evaluation of the capital and operating requirements of departmental budget from **September to November 2014**. This will also include a number of meetings of the Budget Steering Committee during the process. It will also include the various other budget related processes such as the review of budget policies, tariff modelling and tariff setting, evaluation of the capital budget requests based on the Capital Investment Framework (CIF), compilation of all the supplementary budgets, submission of demand management plans and motivations for budget requests.
- Finalisation and completion of the entire Budget / IDP in terms of legislative requirements in order to ensure that a complete budget book is compiled in **December 2014**.
- The complete 2015/16 MTREF/IDP will be tabled at Council in **January 2015**.
- Engagement with oversight committees regarding the Tabled Budget will take place during **February and March 2015**.
- The Mid-Year Budget and Performance Assessments engagement with the National Treasury is planned for **February 2015**. However, the final dates will be determined by National Treasury.
- Public meetings regarding the Tabled 2015/16 MTREF/IDP is scheduled to take place in **April 2015**. A programme with preliminary dates has already been compiled and is attached to this report. This will ensure that notifications and awareness campaigns to inform communities could be done well in advance.
- Benchmarking Review of the Draft Budget by National Treasury will take place during **March/April 2015**.
- The feedback from the various Oversight Committees and the input from the public participation process will be considered in **April 2015**, before the Budget/IDP is submitted for final approval by Council.

Budget Day for the final approval of 2015/16 MTREF/IDP will take place on **28 May 2015**.

2.1.2 IDP and Service Delivery and Budget Implementation Plan

The IDP is the EMM's principal strategic planning instrument, which directly guides and informs its planning, budget, management and development actions. This framework is rolled out into planning statements covering the five-year objectives, key performance indicators and targets for implementation which directly inform the Service Delivery and

Budget Implementation Plan. The whole process was structured around supporting and working towards contributing to the achievement of the programmes set in the GDS 2055. In terms of Section 34 of the Municipal Systems Act, 32 of 2000, the Council must annually review its IDP in terms of a predetermined process. This process was adopted by the Council on 30 August 2012.

The review of the IDP in terms of the Municipal Systems Act is guided and informed by the following:

- It must support and work towards achieving the vision and mission of EMM.
- Working towards the achievement of the EMM GDS 2055 programmes.
- Addressing the national outcomes set by Parliament.
- Focus on basic service delivery in terms of the eradication of backlogs and the maintenance of existing infrastructure and community needs.
- Provincial plans and programmes applicable to the specific budget allocations by the respective provincial sector departments to these projects should also be reflected as far as possible.

All departments were part of the process of reviewing the IDP and SDBIP in terms of the newly approved GDS 2055.

2.1.3 Financial Modelling and Key Planning Drivers

As part of the compilation of the 2015/16 MTREF, financial modelling was undertaken to ensure affordability and long-term financial sustainability. The following key factors and planning strategies have informed the compilation of the 2015/16 MTREF:

- City growth.
- Policy priorities and strategic objectives.
- Asset maintenance.
- Economic climate and trends (i.e. inflation, Eskom increases, household debt, migration patterns).
- Performance trends.
- The approved 2014/15 adjustments budget and performance against the SDBIP.
- Cash Flow Management Strategy.
- Debtor payment levels.
- Loan and investment possibilities.
- The need for tariff increases versus the ability of the community to pay for services.
- Improved and sustainable service delivery.

In addition to the above, the strategic guidance given in National Treasury's MFMA Circular 74 have been taken into consideration in the planning and prioritisation process.

Flagship Projects

EMM pronounced on a number of flagship projects. All of these projects has been allocated to certain departments and the status and progress on these projects are discussed in detail as part of the departmental budget reports.

2.1.4 Community Consultation

Section 29 (1) (b) of Chapter 5 of the Municipal Systems Act of 2000 states that municipalities through appropriate mechanisms, processes and procedures established in terms of public participation; allow for communities to be consulted on their development needs and priorities; and that the local community to participate in drafting of the IDP.

EMM used the ward committees as a mechanism for the purpose of engaging and consulting communities on their needs and priorities. The IDP review meetings were held in all 20 Customer Care Centres with ward committees from 101 wards. Several wards (between two and nine) were combined into a single CCA with the effect that only 17 meetings were held across the metro.

These meetings took place 10 September 2014.

A. REVIEW PROCESS

The process entailed a work session per CCA which focused around the following:

- Basic feedback on the past IDP/budget process – comments and process.
- Discussion of five ward priorities.
- Departmental plans in relation to ward priorities.
- Report on Capital Budget to be implemented in CCA per ward.
- Reflection of department's operational budget in CCA and wards.
- Alignment of the above with each other.

In terms of the IDP review meeting, there was a plenary session chaired by the chairperson of oversight committees or CCA manager and then a breakaway session chaired by the ward councilor. During the breakaway session, the wards were afforded an opportunity to go through their previous years IDP needs and to peruse the current financial year's budget, which was divided into a CCA-based budget and the metro-wide budget.

Most departments attended all of these meetings to answer to ward committees' questions based on the IDP needs identified last year and in previous years.

After discussions, ward councilors signed-off their IDP needs and this was to be sent to departments so that they can incorporate them into their planning and budgeting processes.

Top Five IDP identified

The following are community needs identified during the IDP reviews on 10 September 2014:

1. Construction of new roads.
2. Erection of high mast lights and streetlights.
3. Construction of new RDP houses.
4. Development of new parks and maintenance of existing parks.
5. Development of sports facilities and multipurpose centres.

Challenges experienced from previous IDP Review Meetings

- This revolved mainly around the failure of departments to attend the meetings at all or alternatively sending junior officials who were completely ignorant of the matters

under discussion and thus unable to provide satisfactory answers. This resulted in negative perceptions and frustration developing amongst the ward committee and ward councilors present.

- Sometimes other role players, like councilors, also failed to attend the meetings mainly due to other commitments. This caused some disruption of the process.
- Another issue which was often raised was the complete ignoring of the ward priorities by departments when drafting their own project plans which led to no priorities of a particular ward featuring in the SDBIP which understandably causes intense frustration. Communities argued that even after spending a lot of time formulating their real needs and priorities they become lost in the system and are not attended to.
- These problems have been ongoing for a number of years and need to be attended to at the highest level.

2.2 Overview of alignment of annual budget with IDP

The alignment of the budget with the IDP has been achieved through the setting of targets by departments which were guided by the following principles:

- It had to be aligned to the national outcome related to their mandate.
- Focus on basic service delivery in terms of the eradication of backlogs, provision of basic services as well as the maintenance of existing infrastructure and community needs.
- All targets set in the IDP were cross referenced to the budget as part of the result-based budget process. Each outcome with its supporting activities set for the coming year has been linked to specific votes in the budget to be utilised to achieve it. The Capital Budget is fully linked, but the operational budget still requires some work to reflect details in this regard.

The constitution mandates local government with the responsibility to exercise local developmental and cooperative governance. The eradication of imbalances in South African society can only be realised through a credible integrated developmental planning process.

Municipalities in South Africa need to utilise integrated development planning as a method to plan future development in their areas and so find the best solutions to achieve sound long-term development goals. A municipal IDP provides a five-year strategic programme of action aimed at setting short-, medium- and long-term strategic and budget priorities to create a development platform which correlates with the term of office of the political incumbents. The plan aligns the resources and the capacity of a municipality to its overall development aims and guides the municipal budget. An IDP is therefore a key instrument which municipalities use to provide vision, leadership and direction to all those that have a role to play in the development of a municipal area. The IDP enables municipalities to make the best use of scarce resources and speed up service delivery.

Integrated developmental planning in the South African context is amongst others, an approach to planning aimed at involving the municipality and the community to jointly find the best solutions towards sustainable development. Furthermore, integrated development planning provides a strategic environment for managing and guiding all planning, development and decision making in the municipality.

It is important that the IDP developed by municipalities correlates with national and provincial intent. It must aim to coordinate the work of local and other spheres of

government in a coherent plan to improve the quality of life for all the people living in that area. Applied to the metro, issues of national and provincial importance should be reflected in the IDP. A clear understanding of such intent is therefore imperative to ensure that the metro strategically complies with the key national and provincial priorities.

The aim of this revision cycle was to develop and coordinate a coherent plan to improve the quality of life for all the people living in the area, also reflecting issues of national and provincial importance. One of the key objectives is therefore to ensure that there exists alignment between national and provincial priorities, policies and strategies and the metro's response to these requirements.

The national and provincial priorities, policies and strategies of importance include amongst others:

- Green Paper on National Strategic Planning of 2009.
- Government Programme of Action.
- Development Facilitation Act of 1995.
- Provincial Growth and Development Strategy (GGDS).
- National and provincial spatial development perspectives.
- Relevant sector plans such as transportation, legislation and policy.
- National Key Performance Indicators (NKPIs).
- Accelerated and Shared Growth Initiative (ASGISA).
- National 2014 Vision.
- National Spatial Development Perspective (NSDP).
- The National Priority Outcomes.

The Constitution requires local government to relate its management, budgeting and planning functions to its objectives. This gives an indication of the intended purposes of municipal integrated development planning. Legislation stipulates clearly that a municipality must not only give effect to its IDP, but must also conduct its affairs in a manner which is consistent with its IDP. The following table highlights the IDP's five strategic objectives for the 2015/16 MTREF and further planning refinements that have directly informed the compilation of the budget:

The main objectives of the city include:

- Provision of quality basic services and infrastructure.
- Economic growth and development that leads to sustainable job creation.
- Fighting poverty and building clean, healthy, safe and sustainable communities.
- Provision of integrated social services for empowered and sustainable communities.
- Fostering participatory democracy and Batho Pele principles through a caring, accessible and accountable service.
- Ensuring financial sustainability.
- Optimal institutional transformation to ensure capacity to achieve set objectives.

To ensure integrated and focused service delivery between all spheres of government it was important for the metro to align its budget priorities with that of national and provincial government. All spheres of government place a high priority on infrastructure development, economic development and job creation, efficient service delivery, poverty alleviation and building sound institutional arrangements.

Local priorities were identified as part of the IDP review process which is directly aligned to that of the national and provincial priorities. The key performance areas are contained in the IDP.

The 2015/16 MTREF has therefore been directly informed by the IDP revision process and the following tables provide a reconciliation between the IDP strategic objectives and operating revenue, operating expenditure and capital expenditure.

The Ekurhuleni Metro is in the process of reviewing its planning, budgeting and reporting cycle and improvements will be seen in the following financial years.

Table 32 MBRR Table SA4 - Reconciliation between the IDP strategic objectives and budgeted revenue

EKU Ekurhuleni Metro - Supporting Table SA4 Reconciliation of IDP strategic objectives and budget (revenue)										
Strategic Objective	Goal	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
R thousand										
Outcome 2: A long and healthy life for all	HEALTH AND SOCIAL DEVELOPMENT	7,306	20,718	20,718	14,162	14,230	13,518	13,836	14,583	15,396
Outcome 3: All people in South Africa are and feel safe	DISASTER AND EMERGENCY MANAGEMENT SERVICES	179,696	130,145	130,145	194,171	196,207	186,397	185,955	193,044	191,489
	EKURHULENI METRO POLICE DEPARTMENT	72,178	77,105	77,105	98,756	109,672	104,189	92,360	96,565	97,366
Outcome 4: Decent Employment through inclusive Economic Growth	DISASTER AND EMERGENCY MANAGEMENT SERVICES	1,188	2,345	2,345	930	930	929	400	422	445
	ECONOMIC DEVELOPMENT	16,701	24,745	24,745	59,150	63,150	59,993	37,062	25,216	27,113
Outcome 6: An efficient, competitive and responsive economic infrastructure network	ROADS AND STORMWATER	244,105	417,907	417,907	299,550	300,250	285,238	221,130	242,269	255,595
	TRANSPORT PLANNING & PROVISIONING	230,901	310,832	310,832	846,854	850,578	850,578	951,347	1,065,776	1,131,992
Outcome 8: Sustainable human settlements and improved quality of household life	CITY MANAGER	26,569	20,626	20,626	26,587	26,587	26,587	30,342	32,615	35,058
	ENERGY	860,167	834,888	834,888	721,220	677,470	677,470	803,045	841,141	887,404
Outcome 9: A responsible, accountable, effective and efficient local government system	FINANCE	-	-	-	-	-	-	-	-	-
	HUMAN SETTLEMENTS	34,134	(11,143)	(11,143)	415,752	544,066	544,066	534,547	531,040	561,505
	WATER AND SANITATION	4,097,265	4,336,820	5,025,165	5,212,142	5,385,765	5,365,088	6,038,223	6,609,668	7,110,037
	CITY PLANNING	11,908	11,052	11,052	54,215	82,921	82,921	15,789	8,684	9,271
	CORPORATE LEGAL	(101,051)	(141,954)	(141,954)	3,715	6,800	6,800	7,185	7,645	8,136
	COUNCIL GENERAL	10,374	-	-	5,000	5,000	5,000	-	-	-
	ENERGY	9,199,129	9,855,558	10,922,064	11,786,972	11,771,125	11,771,125	13,203,131	14,753,227	16,681,337
	FINANCE	4,412,682	4,833,499	5,900,005	6,463,246	6,522,112	6,522,112	6,950,599	7,621,657	8,326,370
	HEALTH AND SOCIAL	227,809	139,959	139,959	168,902	170,432	170,432	215,651	220,161	234,235
	HUMAN RESOURCE MANAGEMENT AND DEVELOPMENT	23,400	18,592	18,592	22,388	22,388	22,388	23,821	23,821	25,132
	REAL ESTATE	18,116	14,368	9,714	117,094	82,120	82,120	146,234	141,412	149,552
	HUMAN RESOURCE MANAGEMENT AND DEVELOPMENT	-	-	-	-	-	-	-	-	-
Outcome 10: Environmental assets and natural resources that are well protected and continually enhanced	REAL ESTATE	51,742	40,932	40,932	47,294	50,426	50,426	40,350	42,987	45,352
	ENVIRONMENTAL RESOURCE MANAGEMENT	500	202	202	4,000	2,062	2,062	2,000	2,000	2,110
	PARKS & CEMETERIES	-	-	-	-	-	-	-	-	-
Outcome 12: An efficient, effective and development - oriented public service and an empowered, fair and inclusive citizenship	WASTE MANAGEMENT	1,173,899	1,306,210	1,306,210	1,628,114	1,642,874	1,542,874	1,778,125	1,965,723	2,110,415
	FLEET MANAGEMENT	(185)	-	(1,011)	1	1	1	-	-	-
	LEGISLATURE	1	-	-	-	-	-	-	-	-
	REAL ESTATE	-	-	-	-	-	-	-	-	-
	SPORTS, RECREATION, ARTS AND CULTURE	6,210	-	5,665	10,667	10,667	10,667	9,263	9,997	10,789
Allocations to other priorities										
Total Revenue (excluding capital transfers and contributions)		20,804,744	22,243,406	25,064,764	28,200,882	28,537,832	28,382,980	31,300,394	34,449,653	37,916,100

Table 33 MBRR Table SA5 - Reconciliation between the IDP strategic objectives and budgeted operating expenditure

EKU Ekurhuleni Metro - Supporting Table SA5 Reconciliation of IDP strategic objectives and budget (operating expenditure)										
Strategic Objective R thousand	Goal	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
Outcome 1: Improved quality of education	HEALTH AND SOCIAL DEVELOPMENT	712	734	771	818	813	788	441	468	495
Outcome 2: A long and healthy life for all	HEALTH AND SOCIAL DEVELOPMENT	481,066	520,481	577,627	654,283	651,409	631,867	707,788	751,479	794,609
Outcome 3: All people in South Africa are and feel safe	DISASTER AND EMERGENCY MANAGEMENT SERVICES EKURHULENI METRO POLICE DEPARTMENT	6,640 719,976	5,574 792,448	216,015 626,107	8,446 1,046,768	10,512 1,021,345	10,196 990,705	239,158 952,076	255,162 1,014,331	270,969 1,077,238
Outcome 4: Decent Employment through inclusive Economic Growth	DISASTER AND EMERGENCY MANAGEMENT SERVICES	-	-	-	-	-	-	-	-	-
	ECONOMIC DEVELOPMENT	-	-	-	-	-	-	-	-	-
	ENERGY	102,047	92,578	(5,221)	167,627	160,873	156,047	1,258	1,327	1,400
	REAL ESTATE	333,867	337,740	-	402,137	396,350	384,459	-	-	-
	SPORTS, RECREATION, ARTS AND CULTURE	313,541	324,300	396	381,545	375,513	364,248	4,404	4,689	4,970
	WATER AND SANITATION	250,779	259,979	-	297,541	292,317	283,548	376	400	424
Outcome 5: A skilled and capable workforce to support an inclusive growth	CITY MANAGER	559	498	10,716	705	557	540	9,332	9,897	10,453
	CITY PLANNING	127	108	7,994	747	747	724	8,992	9,564	10,129
	ECONOMIC DEVELOPMENT	-	-	-	-	-	-	-	-	-
	EKURHULENI METRO POLICE DEPARTMENT	5,890	6,536	-	10,886	13,161	12,766	-	-	-
	HEALTH AND SOCIAL DEVELOPMENT	6,305	6,479	6,070	6,954	6,947	6,738	7,893	8,377	8,861
	HUMAN RESOURCE MANAGEMENT AND DEVELOPMENT	18,468	13,541	6,738	18,150	18,150	17,606	6,860	7,295	7,724
Outcome 6: An efficient, competitive and responsive economic infrastructure network		-	-	-	-	-	-	-	-	-
	CITY MANAGER	3,122	13,574	13,574	13,574	13,574	13,167	15,140	16,046	17,010
	DISASTER AND EMERGENCY MANAGEMENT SERVICES	164	293	293	540	540	524	540	583	630
	ECONOMIC DEVELOPMENT	-	-	-	-	-	-	-	-	-
	ENERGY	757,442	806,050	806,050	1,007,160	1,008,086	977,843	1,013,008	1,073,573	1,140,306
	ENVIRONMENTAL RESOURCE MANAGEMENT	-	-	-	3,997	3,997	3,877	3,997	4,397	4,837
	REAL ESTATE	-	-	-	-	-	-	-	-	-
	ROADS AND STORMWATER	357,339	332,818	332,818	460,443	453,836	440,221	460,443	500,910	545,066
	TRANSPORT PLANNING & PROVISIONING	225,409	242,973	242,973	326,549	311,615	302,267	326,549	353,416	372,240
	WATER AND SANITATION	151,756	164,008	164,008	188,920	206,376	227,785	188,920	207,544	215,608
Outcome 8: Sustainable human settlements and improved quality of household life	DISASTER AND EMERGENCY MANAGEMENT SERVICES	-	-	-	-	-	-	-	-	-
	ENERGY	193,283	192,447	192,447	261,137	261,137	253,303	261,137	278,773	297,630
	HUMAN RESOURCE MANAGEMENT AND DEVELOPMENT	211	283	283	172	197	191	172	172	172
	HUMAN SETTLEMENTS	228,134	291,509	291,170	484,778	484,778	484,777	475,053	498,038	525,223
	WASTE MANAGEMENT	797,464	722,531	722,531	1,169,588	1,243,831	1,206,516	1,172,271	1,254,889	1,337,903
	WATER AND SANITATION	69,527	222,364	222,364	315,181	329,181	319,306	317,231	308,876	347,333

EKURHULENI METROPOLITAN MUNICIPALITY – FINAL BUDGET 2015/16 TO 2017/18

EKU Ekurhuleni Metro - Supporting Table SA5 Reconciliation of IDP strategic objectives and budget (operating expenditure)														
Strategic Objective	Goal	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Expenditure Framework						
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18				
R thousand Outcome 9: A responsible, accountable, effective and efficient local government system	CITY MANAGER	259,923	245,997	245,997	516,502	518,373	502,822	433,851	450,834	468,801				
	CITY PLANNING	121,508	124,389	124,389	155,967	154,280	149,652	148,517	158,286	168,667				
	CORPORATE LEGAL	218,182	219,218	219,218	289,638	288,417	279,764	294,596	315,052	336,949				
	COUNCIL GENERAL	489,730	322,962	322,962	470,609	410,025	397,724	441,644	454,519	478,841				
	DISASTER AND EMERGENCY MANAGEMENT SERVICES	477,785	503,312	503,312	701,964	709,710	688,419	701,964	744,821	790,407				
	ECONOMIC DEVELOPMENT	32,815	51,841	36,012	119,505	86,482	83,887	59,866	56,842	60,449				
	ENERGY	7,184,150	7,750,009	9,942,920	9,712,858	9,887,463	9,590,839	11,794,745	13,049,981	14,351,000				
	ENVIRONMENTAL RESOURCE MANAGEMENT	-	-	-	-	-	-	-	-	-				
	FINANCE	1,721,621	1,694,154	1,601,088	1,310,695	1,262,731	1,224,427	3,506,848	4,122,323	4,970,923				
	HEALTH AND SOCIAL DEVELOPMENT	106,927	100,514	100,514	131,444	135,989	135,989	131,444	139,194	148,281				
	HUMAN RESOURCE MANAGEMENT AND DEVELOPMENT	136,662	155,592	154,492	150,725	141,922	141,864	148,241	156,228	164,729				
	HUMAN SETTLEMENTS	-	-	-	-	-	-	-	-	-				
	INFORMATION AND COMMUNICATION TECHNOLOGY	249,355	273,114	273,114	268,621	265,893	265,893	268,580	290,497	313,265				
	LEGISLATURE	3,069	8,333	8,333	7,827	10,809	10,809	7,827	7,829	7,831				
	REAL ESTATE	83,866	122,323	119,881	204,332	194,841	194,841	200,512	212,142	224,499				
	ROADS AND STORMWATER	928,675	1,011,131	1,011,131	773,195	774,554	774,554	773,195	891,199	1,012,053				
	SPORTS, RECREATION, ARTS AND CULTURE	93,877	109,210	109,210	115,932	117,142	117,142	115,932	126,541	137,537				
	WATER AND SANITATION	2,416,870	2,697,729	3,479,141	3,204,879	3,285,466	3,186,902	3,196,701	3,548,904	3,903,630				
Outcome 10: Environmental assets and natural resources that are well protected and continually enhanced	ECONOMIC DEVELOPMENT	-	-	-	-	-	-	-	-	-				
		4,499	4,379	4,379	5,577	5,445	5,282	5,577	5,932	6,372				
	ENVIRONMENTAL RESOURCE MANAGEMENT	48,019	44,988	44,988	57,789	50,796	49,273	57,852	61,598	65,457				
	HEALTH AND SOCIAL DEVELOPMENT	3,565	2,843	2,843	2,730	2,795	2,711	2,730	2,790	2,853				
	PARKS & CEMETERIES	86,048	98,931	98,931	112,078	112,446	109,073	112,524	118,107	124,100				
	WASTE MANAGEMENT	87,333	79,545	79,545	221,605	252,701	245,120	219,702	247,277	255,874				
	CITY MANAGER	-	-	-	-	-	-	-	-	-				
		7,510	8,164	8,164	39,000	38,817	37,653	39,000	39,000	39,000				
	CITY PLANNING	7,247	8,374	8,374	88,359	96,349	96,349	88,036	59,133	60,635				
	ECONOMIC DEVELOPMENT	-	-	-	-	-	-	-	-	-				
	ENERGY	-	-	-	-	-	-	-	-	-				
	EXECUTIVE OFFICE	53,449	59,034	59,034	62,406	60,876	60,876	62,406	65,914	69,608				
	FLEET MANAGEMENT	38,432	14,574	14,574	34,507	34,125	34,125	34,507	39,627	44,908				
	HUMAN SETTLEMENTS	-	-	-	4,275	2,205	2,205	4,275	4,275	4,275				
	LEGISLATURE	108,602	127,309	127,309	103,751	131,534	131,534	186,228	197,033	208,532				
	REAL ESTATE	-	-	-	-	-	-	-	-	-				
	SPORTS, RECREATION, ARTS AND CULTURE	72,402	72,773	72,773	99,599	113,156	113,156	110,730	114,876	117,733				
	Allocations to other priorities													
Total Expenditure		20,066,181	21,260,588	23,208,349	26,194,817	26,491,184	25,772,892	29,321,872	32,240,962	35,528,468				

Table 34 MBRR Table SA6 - Reconciliation between the IDP strategic objectives and budgeted capital expenditure

EKU Ekurhuleni Metro - Supporting Table SA6 Reconciliation of IDP strategic objectives and budget (capital expenditure)												
Strategic Objective	2011/12	2012/13	2013/14	Current Year 2014/15		2015/16 Medium Term Revenue & Expenditure Framework						
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18			
R thousand												
National Outcome 1 - Improved quality of basic education	-	-	-	-	-	-	-	-	-			
National Outcome 2 - A long and healthy life for all South Africans	87,408	79,023	71,200	70,100	70,100	66,595	76,600	108,400	136,200			
National Outcome 3 - All people in South Africa are and feel safe	13,168	33,087	36,859	91,840	95,456	90,683	99,050	129,600	99,500			
National Outcome 4 - Decent employment through inclusive economic growth	32,010	51,073	64,117	43,200	41,400	39,330	57,500	44,500	23,000			
National Outcome 5 - skilled and capable workforce to support an inclusive growth path	-	-	-	-	-	-	-	-	-			
National Outcome 6 - An efficient, competitive and responsive economic infrastructure network	56,302	151,886	285,088	-	382	363	-	-	-			
National Outcome 7 - Vibrant, equitable and sustainable rural communities with food security for all	-	-	-	-	-	-	-	-	-			
National Outcome 8 - Sustainable human settlements and improved quality of household life	1,258,948	1,366,383	1,577,951	2,720,121	2,638,846	2,506,904	3,031,857	3,575,980	3,187,934			
National Outcome 9 - A responsive, accountable, effective and efficient local government system	487,920	620,469	512,318	843,205	941,823	894,732	1,119,057	1,007,248	1,640,011			
National Outcome 10 - Environmental assets and natural resources that are well protected and continually enhanced	65,260	68,516	64,768	10,500	17,242	16,380	87,500	92,300	95,800			
National Outcome 11 - Create a better South Africa and contribute to a better and safer Africa and World	-	-	-	-	-	-	-	-	-			
National Outcome 12 - An efficient, effective and development-oriented public service and an empowered, fair and inclusive citizenship	-	-	-	11,400	5,700	5,415	-	-	-			
Allocations to other priorities												
Total Capital Expenditure	2,001,014	2,370,437	2,612,301	3,790,366	3,810,950	3,620,402	4,471,563	4,958,028	5,182,445			

2.3 Measurable performance objectives and indicators

Performance Management is a system intended to manage and monitor service delivery progress against the identified strategic objectives and priorities. In accordance with legislative requirements and good business practices as informed by the National Framework for Managing Programme Performance Information, the metro has developed and implemented a performance management system of which system is constantly refined as the integrated planning process unfolds. The municipality targets, monitors, assess and reviews organisational performance which in turn is directly linked to individual employee's performance.

At any given time within government, information from multiple years is being considered - plans and budgets for next year; implementation for the current year; and reporting on last year's performance. Although performance information is reported publicly during the last stage, the performance information process begins when policies are being developed, and continues through each of the planning, budgeting, implementation and reporting stages. The planning, budgeting and reporting cycle can be graphically illustrated as follows:

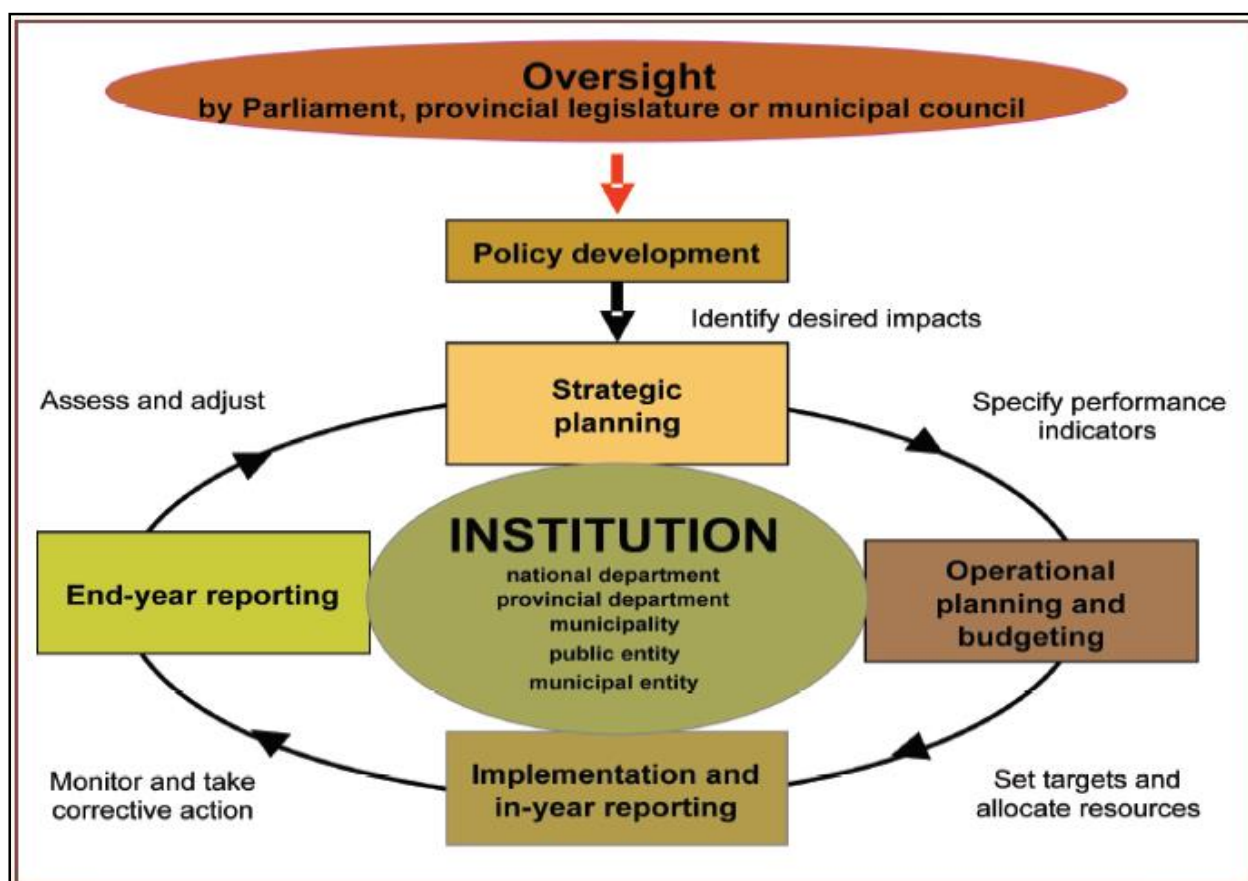


Figure 5 Planning, budgeting and reporting cycle

The performance of the metro relates directly to the extent to which it has achieved success in realising its goals and objectives, complied with legislative requirements and meeting stakeholder expectations. The metro therefore has adopted one integrated performance management system which encompasses:

- Planning (setting goals, objectives, targets and benchmarks).
- Monitoring (regular monitoring and checking on the progress against plan).
- Measurement (indicators of success).
- Review (identifying areas requiring change and improvement).
- Reporting (what information, to whom, from whom, how often and for what purpose).
- Improvement (making changes where necessary).

The performance information concepts used by the metro in its integrated performance management system are aligned to the **Framework of Managing Programme Performance Information** issued by the National Treasury:

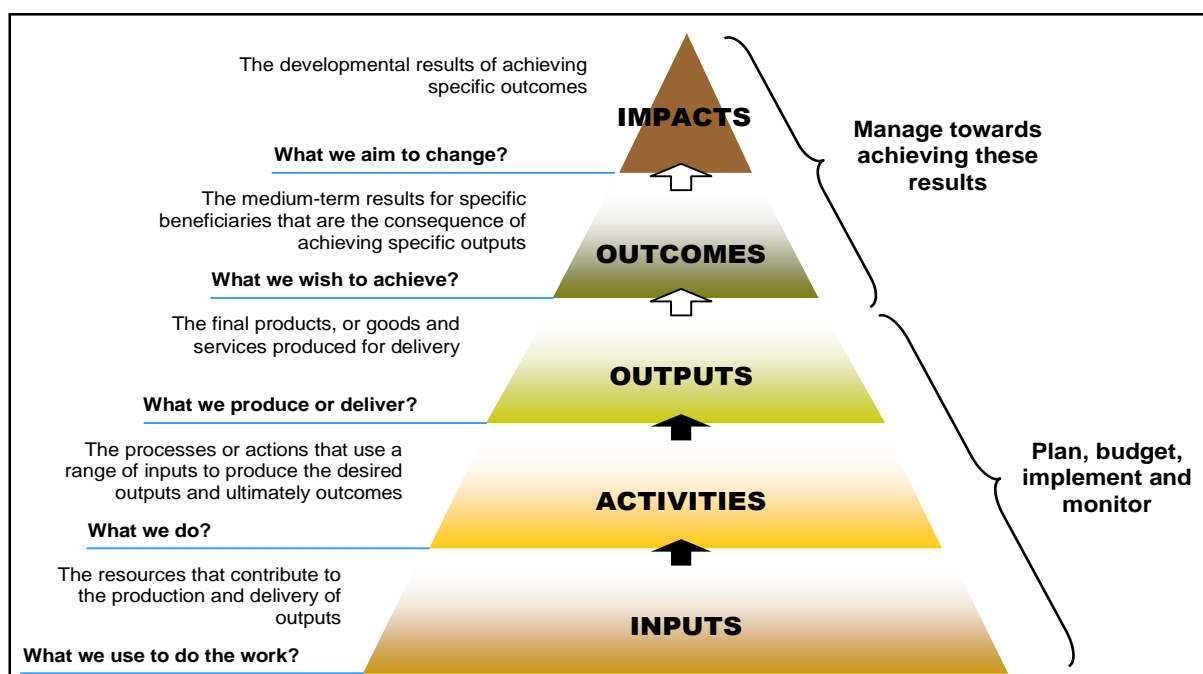


Figure 6 Definition of performance information concepts

The following table provides the main measurable performance objectives the municipality undertakes to achieve this financial year.

Table 35 MBRR Table SA7 - Measurable performance objectives

EKU Ekurhuleni Metro - Supporting Table SA7 Measureable performance objectives										
Description	Unit of measurement	2012/13	2013/14	2014/15	Current Year 2015/2016			Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
Vote 1 - Communication and Marketing										
Function 1 - Communication and Marketing										
Sub-function 2 - Marketing										
Number of Brand Promotion interventions Implemented	Number		12	6	12		12	12	12	
Number of multi-departmental participative stakeholder engagements coordinated	Number		171	65	16		16	16	16	
Function 2 - Institutional Strategy, M & E and Research:										
Sub-function 1 - Strategic Planning, Monitoring and evaluation and Research										
Number of evaluations conducted	Number		0	2	2		2	2	2	
% Metro-wide service delivery satisfaction rate recorded	Rate		65%	67%	68%		68%	70%	72%	
Function 3 - Internal audit										
Sub-function 1 - Internal Audit										
% of planned internal audit reviews completed	Percentage		98%	90%	90%		90%	90%	90%	
% of forensic investigations completed	Percentage		60.50%	60%	60%		60%	60%	65%	
Function 4 - Risk Management										
Sub-function 1 - Risk										
Number of insurance audits undertaken	Number		0	1	4		4	2	2	
Level of EMM compliance maturity recorded	Level		1	2	2		2	3	3	
Number of risk profiles completed	Number		24	30	30		30	30	30	
Function 1 - Executive Secretary										
Sub-function 1 - Executive Secretary										
% of reports adhering to cabinet brief format	Percentage		100%	100%	100%		100%	100%	100%	
% deviation from set calendar	Percentage		< 20%	< 20%	< 20%		< 20%	< 20%	< 20%	
Working days within which draft minutes are circulated	Days		3	3	3		3	3	3	
Vote 3 - Financial Services										
Function 1 - Finance										
Sub-function Finance										
% of tenders completed within the valid period (120 days from date of close of advert)	Percentage		60%	80%	80%		80%	85%	90%	
% of Billed Amounts Collected	Percentage		90.33%	93.60%	94%		94%	94%	94%	
Audit Opinion from the Auditor General	Unqualified		Clean Audit	Clean Audit	Clean Audit		Clean Audit	Clean Audit	Clean Audit	
Sub-function 1 - Fleet										
Number of vehicles fitted with a utilization tracking device	Number		72	70	280		280	314	314	
Number of vehicles fitted with the electronic fuel management device	Number				244		244	1081	1081	
Sub-function 1 - Real Estate										
Retained burial capacity and lifespan of cemeteries in years	Years	11	11	11	11		11	11	11	
Number of leisure facilities developed, refurbished and rehabilitated	Number		4	5	5		5	5	5	
Number of conservation areas managed, protected and/or rehabilitated	Number		0	1	1		1	1	1	
No of land parcels packaged and released for implementation through development agreements	Number		5	5	15		15	15	15	
% increase in revenue generated through management of property transactions	Percentage		4.3%	5%	5%		5%	5%	5%	
Vote 4- Corporate and Legal										
Function 1 - Corporate and legal Services										
Sub-function 1 -Corporate and Legal Services										
% progress made with establishing the Office of the Municipal Ombudsman	Percentage		0%	20%	100%		100%	N/A	N/A	
Number of Municipal Courts piloted.	Number		0	4	2		2	1	1	
Percentage of By-Law contravention cases filed with the courts for finalisation	Percentage		0%	100%	100%		100%	100%	100%	

EKURHULENI METROPOLITAN MUNICIPALITY – FINAL BUDGET 2015/16 TO 2017/18

EkuKuhleni Metro - Supporting Table SA7 Measureable performance objectives										
Description	Unit of measurement	2012/13	2013/14	2014/15	Current Year 2015/2016			Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
Vote 5 - Human Resource Management and Development										
Function 1 - Human resource management										
Sub-function 1 - Human resource management										
. % of critical prioritized posts filled	Percentage		40%	40%	60%		60%	100%	100%	
Number of Change Management interventions implemented	Level		0%	0%	2		2	2	2	
Vote 6 - ICT										
Function 1 - ICT										
Sub-function 1 - ICT										
Level of availability of customer facing applications	Level		95%	96%	97%		97%	99%	99%	
Number of Wi-Fi Hotspots operational	Number		22	75	100		100	47	47	
8. Number of functionalities enabled/ solutions deployed in response to business process automation	Number		0	100	100		100	100	100	
Vote 7 -Health and Social Development										
Function 1 - Health and Social Development										
Sub-function 1 - Health										
Number of newly constructed facilities functional	Number		5	3	3		3	5	0	
Number of ECD practitioners trained in accredited ECD training programme	Number		1998	150	100		100	120	140	
Percentage of babies tested HIV-positive (PCR) at six (6) weeks	Percentage		2.00%	<2.15%	<2.12%		<2.12%	<2.11%	<2.10%	
Number of eligible patients initiated on Antiretroviral Therapy	Total		39,127	39,000	39 500		39 500	37 000	35 000	
% of inspected premises that are rodent-free after intervention.	Percentage		22.50%	45%	45.0%		45.0%	40.0%	35.0%	
Number of new indigent households registered	Number		24,297	15,000	16,000		16,000	17,000	18,000	
Vote 8 -Infrastructure										
Function 1 -Roads and Stormwater										
Sub-function 1 -Roads										
Number of systems added to the existing stormwater network	Number		1	22	51		51	64	48	
KM of strategic road network maintained	KM		14.7	835	1193		1193	1205	1217	
KM of roads paved	KM		84.29	190	88		88	82	78	
KM of Stormwater infrastructure maintained	KM		136	3552	8000		8000	8080	8161	
Transport										
Number of new bus routes established between Ekurhuleni and Tshwane and/or Johannesburg.	Number		3	2	1		1	1	1	
Number of new bus routes introduced within Ekurhuleni.	Number			2	3		3	2	1	
Number of New Public Transport Facilities constructed	Number		0	2	2		2	1	0	
Number of kms of BRT trunk and complementary routes constructed for phase 1 of the IRPTN.	Km		0	5	5		5	4	3	
Number of BRT Stations constructed for phase 1 of the IRPTN	Number			0	6		6	4	3	
KM of pedestrian and cyclist paths completed	KM			10	10		10	10	10	
Function 1 -Water and Sanitation										
Number of additional households (RDP) provided with sewer connections	Number		895	1138	1200		1200	1200	1200	
Number of additional households (RDP) provided with water connections	Number		895	1138	1200		1200	1200	1200	
Percentage of Non-Revenue Water (NRW)	Percentage		38.7%	37.60%	36.00%		36.00%	35.60%	35.00%	
Number of unmetered stands provided with meters	Number		22,092	10000	10000		10000	10000	10000	
Blue Drop score (min 95%)	Percentage		>95%	>95%	>95%		>95%	>95%	>95%	
Vote 9 - Human Settlements										
Function 1 - Human Settlements										
Sub-function 1 -										
Number of subsidised housing units built.	Number		11	380	526		526	2000	4000	
ha of well-located land identified	ha		241	95	175		175	100	75	
Number of informal settlements provided with interim services	Number		119	119	119		119	119	119	
Number of informal settlements upgraded to formal townships	Number		0	3	8		8	10	10	
Number of service stands for subsidised Human Settlements	Number				7186		7186	10000	10000	

EKURHULENI METROPOLITAN MUNICIPALITY – FINAL BUDGET 2015/16 TO 2017/18

EKU Ekurhuleni Metro - Supporting Table SA7 Measureable performance objectives										
Description	Unit of measurement	2012/13	2013/14	2014/15	Current Year 2015/2016			Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
Vote 10 - SRAC										
Function 1 - Sport and Recreation										
Sub-function 1 -										
Number of new functional library facilities	Number		3	2	2		2	0	0	
Number of new Arts, Culture and Heritage facilities developed	Number		0	3	1		1	0	0	
Number of children aged 3-6 years participating in accredited ECD programme.	Number		10	11760	8000		8000	10000	12000	
Number of SRAC school programs implemented	Number		4	5	16		16	5	5	
Vote 11 - Disaster Management & Emergency										
Function 1 - Disaster Management & Emergency										
Sub-function 1 -										
Number of new fire stations constructed	Number			1	1		1	2	0	
Number of Operational Ambulances on 24/7	Number		66	60	60		60	60	60	
Percentage of Priority 1 emergency medical calls serviced within the required response time	Percentage		1%	1%	65%		65%	70%	70%	
% compliance with the prescribed South African National Standard 10090 (speed of response)	Percentage		82%	82%	75%		75%	75%	75%	
Vote 12 - Environmental Resource Management										
Function 1 - Environmental Resource Management										
Sub-function 1 -										
Number of departments in EMM with a Climate Change Response Plan approved	Number		0	6	6		6	0	0	
Number of beneficiaries reached through an environmental capacity building programme	Number		0	10000	15000		15000	15000	15000	
Number of ambient air monitoring stations operational and reporting problematic air pollution levels	Number				10		10	10	10	
Number of land areas rehabilitated	Number				4		4	4	4	
Number of water bodies rehabilitated	Number				4		4	4	4	
Number of EMM departments with an improved Environmental Compliance index score (Internal)	Number				6		6	12	12	
Number of industries with an improved Environmental Compliance index score (External)	Number				6		6	6	6	
Function 2 - Waste Management										
Number of landfill sites compliant with permit conditions	Number		5	5	5		5	5	5	
Number of 240l bins rolled out	Number			44000	44000		44000	44000	46000	
% of recyclable waste reclaimed	Percentage		24%	3%	7%		7%	8%	9%	
Percentage of households provided with weekly kerb-side waste removal services in formal areas	Number		100%	100%	100%		100%	100%	100%	
Percentage of additional households (RDP) provided with access to refuse removal	Number		100%	100%	100%		100%	100%	100%	
Vote 13 - Energy										
Function 1 - Energy										
Sub-function 1 -										
No of PV Solar Lighting Units installed in Informal Settlements	Number		14,266	7000	10000		10000	10000	10000	
Number of high mast lights installed	Number		11	72	144		144	80	80	
Number of street lights installed	Number		1990	570	1200		1200	600	600	
Number of subsidized households electrified	Number		7647	5000	5656		5656	6000	6000	
Reduced electricity downtime - % Compliance to NRS 048 Part 6 standard	Percentage		0,8%	0,8%	0,8%		0,8%	0,8%	0,8%	
Installed capacity of alternative/renewable power	KW		500	500	1mw		1mw	1mw	2mw	
% Unaccounted for electricity	Percentage		11.50%	11,25%	11.10%		11.10%	11%	11%	
Vote 14 - Strategic Services										
Function 1 - City Planning										
Sub-function 1 - City Planning										
% of town planning applications approved in accordance with the departmental business process flow chart	Percentage		91%	92%	93%		93%	94%	95%	
% of land affected by geotechnical hazards rehabilitated	Percentage		84.5%	80%	85%		85%	87.50%	90%	

EKURHULENI METROPOLITAN MUNICIPALITY – FINAL BUDGET 2015/16 TO 2017/18

Eku Ekurhuleni Metro - Supporting Table SA7 Measureable performance objectives										
Description	Unit of measurement	2012/13	2013/14	2014/15	Current Year 2015/2016			Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
Vote 14 -Economic Development										
Function 1 - Economic Development										
Sub-function 1 - Economic Development										
Number of enterprises participating in the EMM's business incubation program	Number		100	100	140		140	150	160	
Number of jobs created	Number		50,894	20000	20000		20000	20000	20000	
Number of Aerotropolis projects developed and implemented	Number				5		5	5	5	
Number of business tourists visiting	Percentage		3551	35873	35873		35873	39460	43406	
Revenue generated in SFPM	Percentage		0		R21,000,000		R21,000,000	R5,680,000,00	R23,327,456,70	
Rand value committed /approved with respect to domestic and foreign direct investment	Rand		R9,3bn	R6,5bn	R7 billion		R7 billion	R9 billion	R9 billion	
Vote 14 -										
Function 1 - EMPD										
% decrease in By-laws enforcement policing operations	Percentage				1%		1%	5%	5%	
% increase in interventions to reduce crime and related incidents.	Percentage				1%		1%	1%	1%	
% increase in road policing operations	Percentage				1%		1%	1%	1%	
% decrease in road fatalities	Percentage				2%		2%	2%	2%	
% decrease in road fatalities	Percentage				2%		2%	2%	2%	
Vote										
CUSTOMER RELATIONSHIP MANAGEMENT										
Number of contact points providing uniform customer services	Number		0	25	30		30	5	0	
Percentage of customer queries resolved in accordance with customer service standards	Percentage				85%		85%	85%	85%	
Vote										
ENTERPRISE-WIDE PROJECT MANAGEMENT OFFICE										
Project Management maturity level	Level		0%	3	3		3	3	4	
% capex spend against the budget for capital projects	Percentage		46%	95%	95%		95%	95%	97%	
Entities										
BBC										
Total Revenue Generated	Rand		R23,395,103	R25,955,067	R28, 658, 280		R28, 658, 280	R32,372,000	R36,968,000	
ERWAT										
Percentage of wastewater treatment works complying 90% against the applicable water quality standards	Percentage			88%	88%		88%	89%	90%	
EDC										
Revenue collected as a % of amount billed (R30,2m) for the year excluding arrears	Percentage		93%	9%	93%		93%	93%	93%	
Number of new social housing units constructed built	Number				250		250	800	900	

The following table sets out the EMM's main performance objectives and benchmarks for the 2015/16 MTREF.

Table 36 MBRR Table SA8 - Performance indicators and benchmarks

Eku Ekurhuleni Metro - Supporting Table SA8 Performance indicators and benchmarks											
Description of financial indicator	Basis of calculation	2011/12	2012/13	2013/14	Current Year 2014/15				2015/16 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
<u>Borrowing Management</u>											
Credit Rating		Aa2.za	Aa3.za	Aa3.za	Aa3.za	Aa3.za	A1	A1			
Capital Charges to Operating Expenditure	Interest & Principal Paid /Operating Expenditure	3.1%	3.3%	5.2%	3.5%	3.4%	3.2%	3.2%	3.5%	3.6%	3.6%
Capital Charges to Own Revenue	Finance charges & Repayment of borrowing /Own Revenue	3.9%	4.0%	6.1%	3.9%	3.8%	3.4%	3.4%	3.9%	3.9%	3.9%
Borrowed funding of 'own' capital expenditure	Borrowing/Capital expenditure excl. transfers and grants and contributions	110.7%	64.1%	73.3%	61.5%	62.2%	69.8%	69.8%	40.3%	65.7%	60.8%
<u>Safety of Capital</u>											
Gearing	Long Term Borrowing/ Funds & Reserves	0.0%	560.7%	499.6%	597.6%	597.6%	463.8%	463.8%	481.6%	566.1%	583.0%
<u>Liquidity</u>											
Current Ratio	Current assets/current liabilities	1.4	1.4	1.7	1.6	1.6	1.6	1.6	1.6	1.7	1.9
Current Ratio adjusted for aged debtors	Current assets less debtors > 90 days/current liabilities	1.4	1.4	1.7	1.6	1.6	1.6	1.6	1.6	1.7	1.9
Liquidity Ratio	Monetary Assets/Current Liabilities	0.6	0.7	0.9	0.9	0.9	0.8	0.8	0.8	0.9	1.0
<u>Revenue Management</u>											
Annual Debtors Collection Rate (Payment Level %)	Last 12 Mths Receipts/Last 12 Mths Billing		88.8%	90.8%	87.3%	90.9%	90.9%	90.1%	90.1%	88.3%	94.2%
Current Debtors Collection Rate (Cash receipts % of Ratepayer & Other revenue)		88.8%	90.8%	87.3%	90.9%	90.9%	90.1%	90.1%	88.3%	94.2%	94.2%
Outstanding Debtors to Revenue	Total Outstanding Debtors to Annual Revenue	17.1%	19.2%	21.5%	12.0%	11.9%	18.7%	18.7%	17.0%	15.7%	14.4%
Longstanding Debtors Recovered	Debtors > 12 Mths Recovered/Total Debtors > 12 Months Old										
<u>Creditors Management</u>											
Creditors System Efficiency	% of Creditors Paid Within Terms (within 'MFMA' s 65(e))	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Creditors to Cash and Investments		127.3%	100.0%	84.5%	85.3%	84.9%	103.6%	103.6%	105.9%	93.3%	79.4%
<u>Other Indicators</u>											
Electricity Distribution Losses (2)	Total Volume Losses (kW)	1,209,303	1,139,315	1,209,548	1,209,303	1,209,303	1,209,303	1,209,303	1,301,228	1,370,559	1,439,086
	Total Cost of Losses (Rand '000)	659,971	696,441	790,181	821,851	821,851	821,851	821,851	762,348	802,967	853,957
	% Volume (units purchased and generated less units sold)/units purchased and generated	0	0	0	0	0	0	0	0	0	0
Water Distribution Losses (2)	Total Volume Losses (kℓ)	102,874	110,110	120,903	99,392	99,392	99,392	99,392	127,695	140,464	154,511
	Total Cost of Losses (Rand '000)	468,329	557,052	669,060	572	572	572	572	646,014	710,616	781,677
	% Volume (units purchased and generated less units sold)/units purchased and generated	0	0	0	0	0	0	0	0	0	0
Employee costs	Employee costs/(Total Revenue - capital revenue)	21.0%	23.5%	23.1%	20.7%	20.1%	19.8%	19.8%	20.2%	19.7%	18.8%
Remuneration	Total remuneration/(Total Revenue - capital revenue)	43.8%	24.8%	24.3%	43.4%	21.4%	21.1%		21.5%	20.9%	20.1%
Repairs & Maintenance	R&M/(Total Revenue excluding capital revenue)	8.9%	5.5%	5.7%	9.0%	9.3%	8.9%		9.2%	9.3%	9.1%
Finance charges & Depreciation	FC&D/(Total Revenue - capital revenue)	12.5%	12.5%	10.8%	8.1%	7.9%	7.6%	7.6%	8.1%	8.4%	8.8%
<u>IDP regulation financial viability indicators</u>											
i. Debt coverage	(Total Operating Revenue - Operating Grants)/Debt service payments due within financial year	23.9	12.8	29.8	32.6	32.6	32.6	27.6	28.6	29.3	32.4
ii.O/S Service Debtors to Revenue	Total outstanding service debtors/annual revenue received for services	21.8%	24.7%	27.5%	15.0%	14.9%	23.6%	23.6%	21.1%	19.3%	17.6%
iii. Cost coverage	(Available cash + Investments)/monthly fixed operational expenditure	2.1	3.0	3.8	2.5	2.5	2.8	2.8	2.4	2.5	2.6

2.3.1 Performance indicators and benchmarks

2.3.1.1 Borrowing Management

Capital expenditure in local government can be funded by capital grants, own-source revenue and long-term borrowing. The ability of a municipality to raise long-term borrowing is largely dependent on its creditworthiness and financial position. As with all other municipalities, EMM's borrowing strategy is primarily informed by the affordability of debt repayments. The structure of the metro's debt portfolio is dominated by municipal bonds. The following financial performance indicators have formed part of the compilation of the 2015/16 MTREF.

- *Borrowing to asset ratio* is a measure of the long-term borrowings (non-current) as a percentage of the total asset base of the municipality. This ratio will increase over the MTREF from 12.4% in 2015/16 to 17.7% in 2017/18, but must not be considered a measure on borrowing capacity in isolation of other ratios and measures.
- *Capital charges to operating expenditure* is a measure of the cost of borrowing in relation to the operating expenditure. It can be seen that the cost of borrowing will move from 3.1% in 2011/12 to 3.6% in 2017/18. The increase can be attributed to the raising of external funding to fund portions of the capital programme. While borrowing is considered a prudent financial instrument in financing capital infrastructure development, this indicator will have to be carefully monitored going forward as the affordability of the interest repayments are becoming problematic in the outer years. The metro has not yet reached its prudential borrowing limits, but the shrinking revenue raising ability (mainly resulting from decreasing margins in the electricity service) makes loan servicing unaffordable. The Capital Budget is based on the R8 billion Domestic Medium-term Note Programme (or municipal bond) which will last up to the 2017/18 financial year, as well as possible other borrowings during the 2017/18 financial year. These additional loan funding's will, however, be subject to affordability.
- *Capital charges to Own Revenue* is a measure of the cost of borrowing in relation to the Own Revenue. It can be seen that the cost of borrowing will remain constant at 3.9% from 2011/12 until 2017/18.
- *Borrowing funding of own capital expenditure* measures the degree to which own capital expenditure (excluding grants and contributions) has been funded by way of borrowing. The percentage for the 2014/15 year of 61.5% will decrease slightly to 60.4% in 2017/18.

Long-term debt increased from R5.0 billion as at 30 June 2014 to R9.2 billion at the end of the 2017/18 FY. This is inter alia as a result of:

- The issuing of the first municipal bond for R815m on 28 July 2010 to fund a portion of the capital infrastructure programme for the 2009/10 financial year as well as a portion of the capital programme for the 2010/11 financial year. The bond was issued for a 10-year period at a fixed interest rate of 10.56%.
- The second EMM bond was issued on 11 March 2011 for R800m. This bond was taken up to finance the remainder of the capital programme for the 2010/11 financial year. The book filled at 185 basis points and the final interest rate was fixed at 10.72%, being the R208 at 8.87% (as at the time of finalising the book build) + 185 basis points.

- The third EMM bond was issued on 4 May 2012 at an amount of R800m. The final interest rate was fixed at 10.05%. A R4 billion Medium-term Domestic Note Programme was registered at the Johannesburg Stock Exchange (of which the R2.415 billion has been issued).
- The fourth EMM bond was issued on 16 May 2013 at an amount of R800m and this is the first amortisation bond issued by the metro. This bond was taken up to finance the remainder of the capital programme for the 2012/13 financial year. The book filled at 180 basis points and the final interest rate was fixed at 9.16%, being the R213 at 7.36% (as at the time of finalising the book build) + 185 basis points. The tenure is fixed at 15 years. No sinking will be established for this bond issuance, the interest and capital repayment will done be semi-annually.
- The fifth EMM bond was issued on 17 April 2014 at an amount of R785m, the second amortisation bond issued by the metro. This bond was taken up to finance the capital programme for the 2014/15 financial year as approved by Council. The book filled at 180 basis points and the final interest rate was fixed at 10.67 %, being the R213 at 8.87% (as at the time of finalising the book build) + 180 basis points. The tenure is fixed at 15 years.
- The long-term loans with bullet redemption profiles will be funded from sinking funds. The value of sinking funds as at 30 June 2014 was R772.5m.

2.3.1.2 Safety of Capital

- *The gearing ratio* is a measure of the long-term borrowings (non-current) over funds and reserves. During the 2013/14 financial year the ratio was 500% which will increase to 583% in the 2017/18 financial year. This ratio is much lower than the benchmark levels, mainly resulting from the implementation of GRAP 17 where found assets were fair valued as part of the first time recognition of certain assets. This transaction credited the accumulated surplus and the equity of the metro is thus much higher than would have most probably been the case with historical costs. This ratio is therefore not seen as a reliable measure for the affordability of additional loans.

2.3.1.3 Liquidity

- *Current ratio* is a measure of the metro's ability to pay short-term obligations with its short-term assets. The higher the ratio, the better the metro's ability to adhere to its short-term obligations. The calculation is the current assets divided by the current liabilities and as a benchmark the metro has set a limit of 1.2, hence at no point in time should this ratio be less than 1.2. For the 2015/16 MTREF the ratio is expected to be 1.7, and improving to 1.9 in the outer years of the MTREF.
- *The liquidity ratio* is a measure of the ability of the metro to utilise cash and cash equivalents to extinguish or retire its current liabilities immediately. Ideally the municipality should have the equivalent cash and cash equivalents on hand to meet at least the current liabilities, which should translate into a liquidity ratio of 1. Anything below 1 indicates a shortage in cash to meet creditor obligations. For the 2013/14 financial year the ratio is 0.9 and as part of the financial planning strategy it is projected to decrease slightly to 0.8 in the 2015/16 financial year but then improve to 1.0 in 2017/18.

2.3.1.4 Revenue Management

- As part of the financial sustainability strategy, an aggressive revenue management and enhancement project has been embarked upon to increase cash inflow, not only from current billings but also from debtors that are in arrears in excess of 90 days. The Revenue Management and Enhancement Programme is driving projects that cover the following six areas:
 - Metering and billing value chain.
 - Water and electricity losses.
 - Key accounts management unit.
 - Indigent management.
 - Telephone query management.
 - Data quality.
- The programme has identified the following key business themes which serve as strategic objectives that should drive and support revenue management and enhancement programme.
 - Reduction of consumer debt through appropriate credit control and debt collection to improve revenue.
 - Improved, consistent and accurate /integrative property value chain.
 - Improved customer services.
 - Monitoring and evaluation of consumption processes and efficiencies.
 - Revenue collection.
- *The annual debtors' collection rate* indicates the percentage payment levels of the metro. It indicates at what levels the metro receives payments owed, in terms of receivables, from its customers. It is also used to establish whether credit control has been efficiently managed. The metro's payment level percentage, according to this calculation, in 2012/13 was 90.8% and is expected to be at 94.2% in 2017/18.

2.3.1.5 Creditors Management

- The efficiency ratio at the end of 2013/14 was 75.97%. It is predicted to improve to 90% as a results from the capacity building programme in the Supply Chain Management Division.

2.3.1.6 Other Indicators

- *The electricity distribution losses*, as per the audited financial statements, is 11.12% (of which non-technical losses were only 5.22%) in the 2011/12 financial year. It is forecasted at a rate of 10% for the MTREF period until 2017/18.

The Energy Department uses the following data to determine the loss:

- Meter on Line data.
- Suprima and IMS prepayment sales data.
- Take credit meter read data.
- Take usage for streetlights/traffic lights.
- The usage for own consumption.

It is expected to stabilise over the MTREF. The initiatives to ensure these targets are achieved include managing illegal connections and theft of electricity by rolling out smart metering systems, including prepaid meters. Material losses can

be divided in technical and non-technical losses. Technical losses are related to copper, iron and heat losses and are generally between 5% and 7% and it is in line with the industry norm. These losses cannot be reduced and are inherent in any electricity network. Non-technical losses can be attributed to illegal connections and electricity theft (also bypassed meters, etc.). The Energy Department is in the process of restitution of large areas to repair the electrical network and install protective structures and split prepayment meters to manage and reduce illegal connections and meter tampering. It has been determined that more than 60% of total unit sales are from the demand meter customer segment, business/industry and large residential/townhouse complexes. All these demand meters are placed on automated meter reading to minimise risk as far as possible. Readings are taken at intervals of 30 minutes and accounts issued monthly. In addition, the Cable and Copper Theft Task Team will continue with its activities to curb cable and copper theft. An energy balance has been created and shows losses are within acceptable norms, although more is being done to reduce these losses. By-law "sting" operations are executed regularly by the EMPD and people tampering with their meters are arrested and taken to court.

- *The water distribution losses*, as per the audited financial statements, is 30.34% in the 2011/12 financial year. It is forecasted at a rate of 30% for the MTREF period until 2017/18.
- This has been achieved with the introduction of a water leakage report and action centre. The intention is to further rollout additional depots within the metro to further leverage from the efficiency that the centre offers. It is planned to further reduce the distribution losses over the MTREF period. It must be recognised that the metro is managing aged and ageing infrastructure and this has a direct bearing on the amount of water lost. The water losses were due to many factors significant of which were the following:
 - Unmetered properties that were not billed.
 - Metered areas that were billed on estimates.
 - Properties with more than one meter.
 - Infrastructure-related water losses.

The department is attending to these areas of concern through Programme Boloka Metsi. The interventions in this programme include the following projects:

- Infrastructure replacement and rehabilitation programmes.
- Metering Programme.
- Top Consumer Programme.
- Education and awareness/Consumer Capacitation Programme.

The objective of this intervention is to significantly reduce both non-revenue water and water losses. It must be mentioned though that the extent to which the non-revenue water is reduced depends on the rate at which migration is affecting the metro. The metro has been experiencing growth in the last year mostly from poor people that stay in informal settlements. This increases the amount of free basic water that the metro supplies to these areas and by extension increases the amount of non-revenue water.

- *Employee costs and remuneration as a percentage of revenue (excluding capital revenue)* continues to decrease over the MTREF. This is primarily owing to the high increase in bulk purchases which directly increase revenue levels, as well as increased allocation relating to operating grants and transfers. The averages of the ratios are 21% respectively over the MTREF period.

- *Repairs and maintenance as a percentage of revenue (excluding capital revenue)* needs to be at an appropriate level to ensure that capital assets remain efficient and perform and an optimal level. Similar to that of employee costs, repairs and maintenance as a percentage of operating revenue is also ultimately decreasing owing directly to cost drivers such as bulk purchases increasing far above inflation. The average ratio is 9.2% over the MTREF period.
- *Finance charges and depreciation as a percentage of revenue (excluding capital revenue)* is dependent on borrowing, interest rate levels, and the rate of depreciation of capital assets. The average ratio is 8.4% over the MTREF period.

2.3.1.7 IDP regulation financial viability indicators

- *Debt Coverage* is the coverage of revenue (excluding operating grants) over debt-service and is an indication of the metro's ability to meet annual interest and principle payments on debt. The coverage is expected to be 28.6 in 2015/16 and is expected to move to 32.4 in 2017/18.
- *Outstanding service debtors to revenue ratio* is an indication of what percentage of revenue is in outstanding service debtors. This is also an indicator of the metro's effectiveness in managing credit control and debt collection. The lower the ratio, the more effective the management of receivables. The ratio is estimated to be 21.1% in 2015/16 and is expected to move to 17.6% in 2017/18.
- *Cost coverage* is an indication of the metro's ability to cover fixed operational expenditure with its cash and investment balances. The higher the ratio, the higher the ability. The ratio is estimated at 2.6 in 2015/16 and is expected to remain 2.6 over the MTREF period.

2.3.2 Free Basic Services: basic social services package for indigent households

The social package assists residents that have difficulty paying for services and are registered as indigent households in terms of the Indigent Policy of the metro.

For the 2015/16 financial year, 115 000 registered indigents have been provided for in the budget which includes the deemed indigents.

In terms of the municipality's Indigent Policy, registered households are entitled to 9 kl free water, 100 kWh of electricity, 9 kl sanitation and free waste removal equivalent to a residential once a week service, and a full rebate on their property rates.

Further detail relating to the number of households receiving FBS, the cost of FBS, highest level of FBS and revenue cost associated with FBS is contained in Table 31 MBRR A10 (Basic Service Delivery Measurement) on page 82.

Note that the number of households in informal areas that receive free services and the cost of these services (e.g. the provision of water through stand pipes, water tankers, etc.) are not taken into account in the table noted above.

2.3.3 Providing clean water and managing waste water

The EMM is the Water Services Authority for the entire municipal area in terms of the Water Services Act, 1997. Approximately 99% of the municipality's bulk water needs are provided directly by Rand Water and the remaining 1% is purchased from Johannesburg Water, with its origin also from Rand Water.

Water is distributed to EMM customers via an extensive reticulation system comprising of 91 water reservoirs and towers, 41 pump stations, 9 416 km of pipelines and 437 830 water connections and meters. The estimated replacement value of this water services infrastructure has been assessed to be some R6.2 billion and R1.4 billion for water meters.

According to EMM's asset management plan its water infrastructure assets condition can be rated as follows:

Condition of Assets	Percentage of Assets
Very Good	18%
Good	23%
Fair	55%
Poor	3%
Very Poor	1%

EMM is responsible for providing its citizens with clean, safe water which is measured against the South African National Standard for Drinking Water (SANS 241) and also evaluated by the Department of Water Affairs according to its Blue Drop Certification Programme. The EMM has been in the top 10 since the inception of the Blue Drop Certification in 2009 and has therefore, as per condition, received a Platinum Blue Drop award in the third year (2011). In 2012; the EMM, after running for four consecutive years, received both the Platinum and number one (01) Blue Drop awards; in retrospect.

The following are the main challenges facing the city in providing water services:

- High non-revenue water – 38.6%.
- Very old water meter infrastructure.
- Ageing water distribution infrastructure.
- Shortage of skilled technical staff.

The following are some of the steps that have been taken to address these challenges:

- Strategic plans have been developed to address the non-revenue water, very old water meter infrastructure and ageing water distribution infrastructure.
- These strategic plans are supported through the Capital Budget – five-year implementation plan.
- The shortage of skilled personal remains a major challenge.

With regards to Sanitation Services the EMM is also the Services Authority for the entire municipal area in terms of the Water Services Act, 1997. EMM has established a Municipal Entity, Erwat, as the service provider for the treatment of its waste water. 100% of EMM's waste water is treated by Erwat.

Waste water is collected by EMM from its customers through a system of 8 082 km of sewer pipelines, 152 sewer pump stations and conveyed to 17 waste water treatment plants managed by Erwat. The estimated replacement value of waste water services infrastructure has been assessed to be R5 billion and R5.3 billion for waste water treatment plants.

According to EMM's asset management plan its waste water infrastructure assets condition can be rated as follows:

Condition of Assets	Percentage of Assets
Very Good	29%
Good	17%
Fair	51%
Poor	2%
Very Poor	1%

EMM and Erwat are responsible for the conveyance and treatment of waste water according to national legislation and permit conditions as issued by the Department of Water Affairs. The Department of Water Affairs established an incentive-based assessment system to evaluate services they provide, namely the Green Drop Certification Programme. Municipalities have been evaluated twice since the inception of this programme.

Two Green Drop Awards, out of 17 drainage systems, were received by EMM and Erwat with an average score of 65% for all drainage systems during the 2009 assessment. Only one Green Drop Award, out of 17 drainage systems, were made to EMM and Erwat with an average score of 78.8% for all drainage systems during the 2011 assessment.

The following are the main challenges facing the city in providing sanitation services:

- Ageing waste water collection infrastructure.
- Ageing and capacity pressure on Erwat's waste water treatment plants.
- Provision of suitable sanitation systems for informal settlements.
- Shortage of skilled technical staff.

The following are some of steps that have been taken to address these challenges:

- Strategic plans have been developed to address the ageing and capacity pressure on EMM and Erwat systems.
- These strategic plans are supported through the Capital Budget – five-year implementation plan.
- Implementation of pilot projects to establish suitable sanitation systems for informal settlements have been initiated.
- The shortage of skilled personnel remains a major challenge.

2.4 Overview of budget-related policies

The city's budgeting process is guided and governed by relevant legislation, frameworks, strategies and related policies.

The entire set of budget-related policies can be viewed on the EMM website:

<http://www.ekurhuleni.gov.za>

LIST OF BUDGET RELATED POLICIES

The following is a list of all budget-related policies and indicates whether the relevant policy has been changed or not. It also include a number of new policies:

Annexure D1	Medium-term Budget Policy Statement (reviewed)
Annexure D2	Pricing Policy Statement (reviewed)
Annexure D3	Property Rates Policy (reviewed)
Annexure D4	Provision of Free Basic Electricity Policy (remains unchanged)
Annexure D5	Waste Management Services Tariff Policy (reviewed)
Annexure D6	Consumer Deposit Policy (reviewed)
Annexure D7	Indigent Policy (remains unchanged)
Annexure D8	Credit Control & Debt Collection Policy (reviewed)
Annexure D9	Provision for Doubtful Debtors and Debtors Write Off (reviewed)
Annexure D10	Budget Implementation and Monitoring Policy (reviewed)
Annexure D11	Municipal Entity Financial Support Policy (remains unchanged)
Annexure D12	Accounting Policy (reviewed)
Annexure D13	Funding and Reserves Policy (remains unchanged)
Annexure D14	Borrowing Policy (reviewed)
Annexure D15	Cash Management Policy (remains unchanged)
Annexure D16	Policy on Electricity Metering for Residential and Small Business Customers in the EMM (reviewed)
Annexure D17	Policy for the Vending of Pre-paid Electricity (reviewed)
Annexure D18	Policy for Correction of Meter Reading and Billing Data (new policy)
Annexure D19	Electricity Tariff Policy (existing policy added to list of Budget Related Policies)
Annexure D20	Virement Policy (new policy)
Annexure D21	Consumer Agreement Policy (existing policy added to list of Budget Related Policies)

MEDIUM-TERM BUDGET POLICY (Refer to Annexure D1)

The Medium-term Budget Policy Statement has been amended to accommodate the strategic guidelines set by the Minister of Finance, the National Treasury Budget Circular, local economic circumstances and the strategic direction from ruling government.

It is focusing on the EMM Service Delivery Statement (manifesto), EMM GDS 2055 and all the various national budget guidelines. It also gives strategic direction in terms of economic outlook for EMM and the key assumptions for MTREF budget period.

PRICING POLICY (Refer to Annexure D2)

The City's tariff policies provide a broad framework within which the Council can determine fair, transparent and affordable charges that also promote sustainable service delivery. The Pricing Policy Statement has been developed to guide pricing and the provision of free basic services.

The Pricing Policy addressed all the factors that influenced the compilation and setting of the tariffs. The policy discussed all the factors influencing the tariff setting for the main services namely, assessment rates, electricity, water, sanitation and refuse removal.

CURRENT POLICY	PROPOSED AMENDMENT POLICY
5.1 PROPERTY RATES POLICY	5.1 PROPERTY RATES POLICY
Paragraph 8.2 deals with indigent owners whereas 8.4 deals with Pensioners and the conditions under which they may qualify for such reduction and a rebate.	Paragraph 8 deals with various property granted to qualifying property owners.
5.2 INDIGENT SUPPORT POLICY	5.2 INDIGENT SUPPORT POLICY
Paragraph 1 describes this policy as a legal imperative designed to ensure that aspects of the Constitution of the RSA relating to service delivery and access to basic services are realized. The policy arose as a result of continuous prevalence of indigence and poverty within communities.	This policy defines an "indigent person" as a person lacking the basic necessities of life such as insufficient water, basic sanitation, refuse removal, health care, housing, environmental health, and supply of basic energy, food and clothing.
Paragraph 5 deals with the guiding principles for the formulation of the policy which, inter alia includes, joint income of all household occupants in assessing the validity of indigent support application, punitive action to be taken in cases misuse of any support or grant and verification of information provided by the applicants.	"Deemed Indigent" household is defined as individuals who live together in a single residential property and qualifies for indigent relief based on the use and value of property as determined in terms of general valuation roll.
This policy defines an "indigent person" as a person lacking the basic necessities of life such as insufficient water, basic sanitation, refuse removal, health care, housing, environmental health, and supply of basic energy, food and clothing.	
Paragraph 12 (b), after the application form has been completed. An effective and	Removed – Not applicable

CURRENT POLICY	PROPOSED AMENDMENT POLICY
<p>efficient evaluation system must be used in order to verify the information furnished by the applicant (own emphasis) and to reach a decision within 21 days after the date on which the application was lodged.</p> <p>Paragraph 12 (d), the onus is on the recipient of relief in terms of the policy to inform the Council of any change in his/her status or personal household circumstances.</p> <p>Paragraph 12(f), all indigents should be re-evaluated after 36 months from the date on which relief was authorized in order to assess the need for the continuation of relief in terms of the policy.</p> <p>Paragraph 12(g), appropriate disciplinary measures as prescribed, shall be imposed on people who misuse the system and provide incorrect information, R5 000.00 penalty.</p> <p>An attempt was made unsuccessfully, to source case law specifically relevant to the issue at hand as a result of the fact that the Courts seem to adopt the stance that communities are indeed entitled to provision basic services, however, the determination of same is left to the legislators to deal with, they also emphasise that the Municipality must have policies in place to address these issues. (Leon Joseph & others vs. City of JHB 2009 ZA CC 30).</p> <p>It has now become clear that the municipality has in place requisite policies as required by the national legislation in order to comply with Constitutional imperatives. The authorities (legislation and policies) as stated above do not attempt to distinguish between indigence and poverty however, it can be said that the circumstances stated therein are all encompassing for as long as there compliance with the requirements.</p> <p>The indigent support policy(Para 9) clearly states the circumstances under which individuals may qualify for the support programme and also deals with exemptions of individuals who would ordinarily qualify for inclusion in such programme under certain circumstances. The focus of the policy appears to be on individual households in that it allows for applications to be evaluated</p>	

CURRENT POLICY	PROPOSED AMENDMENT POLICY
<p>based on individual circumstances of individual household, this means that the mere fact that individuals are residents of the same community does not automatically entitle all of them to benefit from the indigent support scheme.</p> <p>On closer scrutiny of the policy, it is discernible that the municipality must have in place effective and efficient evaluation systems to enable it to verify the information as submitted by the applicants.</p> <p>The policy (Para 12) also provides for punitive measures in instances where individuals are misusing the support programme to their undue benefit.</p> <p>A view is held that, if the municipality has adequate measures in place to monitor the implementation of this policy (from evaluating application to timeous review of the applicants circumstances/compliance monitoring and /or changes thereof), the risk exposure due to misuse and malpractices in the implementation of this policy could be successfully curbed.</p>	
6. ASSESSMENT RATES PRICING	
<p>Property rates are determined based on the categories of rateable properties which are determined according to actual <i>use</i> of the property irrespective of the permitted use in terms of the Town Planning scheme.</p> <p>The Council has determined the following categories of property for purposes of rating:</p> <ul style="list-style-type: none"> ▶ residential properties ▶ industrial properties ▶ business and commercial properties ▶ farm properties used for: <ul style="list-style-type: none"> • agricultural purposes; • other business and commercial purpose; • residential purposes; or 	<p>Property rates are determined based on the categories of rateable properties which are determined according to actual <i>use</i> of the property irrespective of the permitted use in terms of the Town Planning scheme.</p> <p>ADD: Categories of properties are included in Property Rates Policy and reviewed on annual basis in terms of the provisions of Municipal Property Rates Act.</p> <p>Removed – Not applicable</p>

CURRENT POLICY	PROPOSED AMENDMENT POLICY
<ul style="list-style-type: none"> • purposes other than those specified above; ▶ smallholdings used for: <ul style="list-style-type: none"> • agricultural purposes; • residential purposes; • industrial purposes; • business and commercial purposes; or • purposes other than those specified above; ▶ state-owned properties; ▶ municipal properties; ▶ public service infrastructure; ▶ privately owned towns serviced by the owner; ▶ informal settlements; ▶ mining and quarries; ▶ vacant land; ▶ protected areas; ▶ properties on which national monuments are proclaimed; ▶ properties used for multiple purposes; ▶ places of worship 	
<p>The rebates are as follows:</p> <ul style="list-style-type: none"> ▶ Age / Pensioners reduction, Disability grantees and medically boarded persons – That in addition to the reduction in 4.1 above and subject to requirements as set out in councils Rates Policy, an additional reduction of R150 000 on the market value of residential property owned by person older than 60 years of age or registered as “Life right use” tenant in deeds office (Age / Pensioner reduction), disability grantees and medically boarded persons BE GRANTED. ▶ Aged / Pensioners rebate, Disability grantees and medically boarded persons – That in addition to the reduction in 4.1 and 4.4 above, an additional rebate BE GRANTED in respect of sliding scale based on average monthly earnings. 	<ul style="list-style-type: none"> • Age/Pensioners reduction, disability grantees and medically boarded persons – subject to requirements as set out in Property Rates Policy, an additional reduction of R150 000 on the market value of residential property owned by person older than 60 years of age or registered as “Life right use” tenant in deeds office (Age/Pensioner reduction), disability grantees and medically boarded persons be granted. • Aged/Pensioners rebate, disability grantees and medically boarded persons –an additional rebate be granted in respect of sliding scale based on average monthly earnings.

PROPERTY RATES POLICY (Refer to Annexure D3)

Due to the new MPRA Amendment Act, the policy has to be changed, which are as follows:

CURRENT POLICY	PROPOSED AMENDMENT POLICY
1. DEFINITIONS	1. DEFINITIONS
Agricultural Purposes - in relation to the use of a property, excludes the use of a property for the purpose of eco-tourism or for the trading in or hunting of game;	Agricultural Purposes – means a property that is used primarily for agricultural purposes but, excludes any portion thereof that is used commercially for the hospitality of guests and excludes the use of the property for the purpose of eco-tourism or for the trading in or hunting of game; <MPRA Amendment Act>
	Mining Property - means a property used for mining operations as defined in the Mineral and Petroleum Resources Development Act, 2002 (Act No 28 of 2002) <MPRA Amendment Act>
Owner -	Owner -
(c) in relation to a land tenure right referred to in paragraph (c) of the definition of “ <i>property</i> ”, means a person in whose name the right is registered or to whom it was granted in terms of legislation; or	(c) in relation to a time sharing interest contemplated in the Property Time-sharing Control Act, 1983 (Act No. 75 of 1983), means the management association contemplated in the regulations made in terms of section 12 of the Property Time-sharing Control Act, 1983, and published in Government Notice R327 of 24 February 1984;
(d) in relation to public service infrastructure referred to in paragraph (d) of the definition of “ <i>property</i> ”, means the organ of state which owns or controls that public service infrastructure as envisaged in the definition of “ <i>publicly controlled</i> ”.	(d) in relation to a share block company, the share block company as defined in the Share Block Control Act, 1980 (Act No. 59 of 1980);
(e) Provided that a person mentioned below may for the purposes of this Act be regarded by a municipality as the owner of a property in the following cases:	(e) in relation to buildings, other immovable structures and infrastructure referred to in section 17(1)(f), means the holder of the mining right or the mining permit;
(i) a trustee, in the case of a property in a trust excluding state trust land;	(f) in relation to a land tenure right referred to in paragraph (c) of the definition of “ <i>property</i> ”, means a person in whose name the right is registered or to whom it was granted in terms of legislation; or
(ii) an executor or administrator, in the case of a property in a deceased estate;	(g) in relation to public service infrastructure referred to in paragraph (d) of the definition of “ <i>property</i> ”, means the organ of state which owns or controls that public service infrastructure as envisaged in the definition of “ <i>publicly controlled</i> ”.
(iii) a trustee or liquidator, in the case of a property in an insolvent estate or in liquidation;	
(iv) a judicial manager, in the case of a property in the estate of a	

CURRENT POLICY	PROPOSED AMENDMENT POLICY
<p>person under judicial management;</p> <p>(v) a curator, in the case of a property in the estate of a person under curatorship;</p> <p>(vi) a person in whose name a usufruct or other personal servitude is registered, in the case of a property that is subject to a usufruct or other personal servitude;</p> <p>(vii) a lessee, in the case of a property that is registered in the name of a municipality and is leased by it; or</p> <p>(viii) a buyer, in the case of a property that was sold by a municipality and of which possession was given to the buyer pending registration of ownership in the name of the buyer</p> <p>(ix) any legal person, including but not limited to:</p> <p>(i) a company registered in terms of the Companies Act, 1973, a trust, a close corporation registered in terms of the Close Corporations Act, 1984; as amended by the Companies Act, 2008;</p> <p>(ii) any department of State;</p> <p>(iii) any Council or Board established in terms of any legislation applicable to the Republic of South Africa;</p> <p>(iv) any Embassy or other foreign entity.</p>	<p>(h) Provided that a person mentioned below may for the purposes of this Act be regarded by a municipality as the owner of a property in the following cases:</p> <p>(i) a trustee, in the case of a property in a trust excluding state trust land;</p> <p>(ii) an executor or administrator, in the case of a property in a deceased estate;</p> <p>(iii) a trustee or liquidator, in the case of a property in an insolvent estate or in liquidation;</p> <p>(iv) a judicial manager, in the case of a property in the estate of a person under judicial management;</p> <p>(v) a curator, in the case of a property in the estate of a person under curatorship;</p> <p>(vi) a person in whose name a usufruct or other personal servitude is registered, in the case of a property that is subject to a usufruct or other personal servitude;</p> <p>(vii) a lessee, in the case of a property that is registered in the name of a municipality and is leased by it;</p> <p>(viii) a lessee, in the case of a property to which a land tenure right applies and which is leased by the holder of such right</p> <p>(ix) a buyer, in the case of a property that was sold by a municipality and of which possession was given to the buyer pending registration of ownership in the name of the buyer;</p> <p><MPRA Amendment Act></p>
<p>Public Service Infrastructure – means publicly controlled infrastructure of the following kinds:</p> <p>(g) runways or aprons at national or provincial airports;</p>	<p>Public Service Infrastructure – means publicly controlled infrastructure of the following kinds:</p> <p>(g) runways, aprons and the air traffic control unit at national or provincial airports, including the vacant land known as the obstacle free zone surrounding these, which must be vacant for the air navigation purposes;</p>

CURRENT POLICY	PROPOSED AMENDMENT POLICY
(j) rights of way, easements or servitudes in connection with infrastructure mentioned in paragraphs (a) to (i);	(j) a right registered against immovable property in connection with infrastructure mentioned in paragraphs (a) to (i); <MPRA Amendment Act>
	Public Services Purposes – in relation to the use of a property, means property owned and used by an organ of state as- (a) Hospitals and clinics; (b) schools, pre-schools, early childhood development centres or further education and training colleges; (c) national and provincial libraries and archives; (d) police stations; (e) correctional facilities; or (f) courts of law, but excludes property contemplated in the definition of "public service infrastructure"; <MPRA Amendment Act>
	Ratio - in relation to section 19 of the Act, means the relationship between the cent amount in the Rand applicable to residential properties and different categories of non-residential properties: Provided that the two relevant cent amounts in the Rand are inclusive of any relief measures that amount to rebates of a general application to all properties within a property category; <MPRA Amendment Act>
Residential Property – means improved property that is: (a) used predominantly (two thirds or more) for residential purposes, and includes any adjoining property registered in the name of the same owner and used together with such residential property as if it were one property. (Any such grouping shall be regarded as one residential property for rate rebate or valuation reduction purposes) or (b) a unit registered in terms of the Sectional Title Act, 1986, (Act No. 95 of 1986), used predominantly (two thirds or more) for residential purposes, and includes any unit in the same Sectional Title Scheme registered in the name of the same owner which is used together with the residential unit as if it were one property, for example a garage or	Residential Property – means a property included in a valuation roll in terms of section 48(2)(b) in respect of which the primary use or permitted use is for residential purposes without derogating from section 9 of the Act

CURRENT POLICY	PROPOSED AMENDMENT POLICY
<p>servant's quarters. (any such grouping shall be regarded as one residential property for rate rebate or valuation reduction purposes), or</p> <p>(c) owned by a share-block company and used solely for residential purposes.</p>	
4. LEVYING OF RATES	
<p>4.3 State owned property no longer qualifies for any rates rebate by virtue of ownership. However, the exemptions, rebates and reductions relating to the usage of properties as specified in this Property Rates Policy would apply.</p>	<p>Removed – Not applicable</p>
5. DIFFERENT CATEGORIES OF RATEABLE PROPERTY	
<p>5.2 The Council has determined the following categories of property for purposes of rating:</p> <ul style="list-style-type: none"> (a) residential properties (b) industrial properties (c) business and commercial properties (d) farm properties used for: <ul style="list-style-type: none"> (i) agricultural purposes; (ii) residential purposes; (iii) industrial purposes; (iv) business and commercial purposes; or (v) purposes other than those specified above; (e) smallholdings used for: <ul style="list-style-type: none"> (i) agricultural purposes; (ii) residential purposes; (iii) industrial purposes; (iv) business and commercial purposes; or (v) purposes other than those specified above; (f) state-owned properties; (g) municipal properties; (h) public service infrastructure; (i) privately owned towns serviced 	<p>5.2 The Council has determined the following categories of property for purposes of rating:</p> <ul style="list-style-type: none"> (a) residential properties; (b) industrial properties; (c) business and commercial properties; (d) agricultural properties; (e) mining and quarries; (f) public service purpose properties; (g) public service infrastructure; (h) public benefit activity property; (i) vacant land; <p>Other Categories</p> <ul style="list-style-type: none"> (j) state-owned properties; (k) municipal properties; (l) privately owned towns serviced by the owner; (m) informal settlements; (n) protected areas; (o) properties on which national monuments are proclaimed; (p) Places of worship

by the owner; (j) informal settlements; (k) mining and quarries; (l) vacant land; (m) protected areas; (n) properties on which national monuments are proclaimed; (o) places of worship				
CURRENT POLICY		PROPOSED AMENDMENT POLICY		
5.3	The Council may determine other categories as the Council may from time to time identify.	5.3 The Council may determine additional categories of rateable property, provided that the determination of such property categories does not circumvent the categories of rateable property that must be determined in terms of subsection of the act.		
5.4	The Council has determined the following ratios relevant to each category to the rate on residential properties for purposes of tariff rating:	5.4 The Council has determined the following ratios relevant to each category to the rate on residential properties for purposes of tariff rating:		
Category	Ratio	Category	Ratio	
(a) residential properties	1.00	(a) residential properties	1.00	1.00
(b) industrial properties	2.50	(b) industrial properties	2.50	2.50
(c) business and commercial properties	2.00	(c) business and commercial properties	2.00	
(d) farm properties used for:		(d) agricultural properties	0.25	0.25
i. residential purposes	1.00	(e) mining and quarries	3.00	3.00
ii. industrial purposes	2.50	(f) public service purpose properties ***		***
iii. business and commercial purposes	2.00	(g) public service infrastructure	0.25	0.25
iv. purposes other than those specified above	0.25	(h) public benefit activity properties ***		***
(e) smallholdings used for:		(i) vacant land	4.00	4.00
i. agricultural purposes	0.25	<u>Other Categories</u>		
ii. residential purposes	1.00	(j) state-owned properties	2.00	2.00
iii. industrial purposes	2.50	(k) municipal properties	2.00	2.00
		(l) privately owned towns serviced by the owner	1.00	1.00
		(m) informal settlements	1.00	1.00

CURRENT POLICY			PROPOSED AMENDMENT POLICY			
iv.	business and commercial purposes	2.00	(n)	protected areas;	1.00	1.00
v.	purposes other than those specified above	0.25	(o)	properties on which national monuments are proclaimed;	1.00	1.00
			(p)	Places of worship	2.00	2.00
(f)	state-owned properties;	2.00				
(g)	municipal properties;	2.00				
(h)	public service infrastructure;	0.25				
(i)	privately owned towns serviced by the owner;	1.00				
(j)	informal settlements;	1.00				
(k)	mining and quarries;	3.00				
(l)	vacant land;	4.00				
(m)	protected areas;	1.00				
(n)	properties on which national monuments are proclaimed;	1.00				
(o)	Places of worship	2.00				
8.14 IMPERMISSIBLE RATES			8.14 IMPERMISSIBLE RATES			
Impermissible rates will apply to categories of properties in terms of section 17(1) of the Act.			In terms of section 17 of the act, rates in respect of the following categories of properties or use of property will be deemed impermissible – (a) <i>Public Services Infrastructure</i> - subject to paragraph (b) on the first 30% of the market value of property. (b) <i>Public Services Infrastructure</i> - on any property referred to in paragraphs (a), (b), (e), (g) and (h) of the definition of "public service infrastructure" (c) <i>Protected Areas</i> - on those parts of a special nature reserve, national park or nature reserve within the meaning of the National Environmental Management: Protected Areas Act, 2003 (Act No. 57 of 2003), or of a national botanical garden within the meaning of the National Environmental Management: Biodiversity Act, 2004 (Act No. 10 of 2004), which are not developed or used for commercial.			

CURRENT POLICY	PROPOSED AMENDMENT POLICY
	<p>business, agricultural or residential purposes;</p> <p>(d) <i>Mining</i> - on mining rights or a mining permit within the meaning of the Mineral and Petroleum Resources Development Act, 2002 (Act No. 28 of 2002), excluding any building, other immovable structures and infrastructure above the surface of the mining property required for purposes of mining;</p> <p>(e) <i>Religious Organizations</i> - on a property registered in the name of and used primarily as a place of public worship by a religious community, including the official residence registered in the name of that community which is occupied by the office-bearer of that community who officiates at services at that place of worship.</p>

WASTE MANAGEMENT SERVICES TARIFF POLICY (Refer to Annexure D5)

CURRENT POLICY	PROPOSED AMENDMENT POLICY
CONTENTS	CONTENTS
6. COSTING MODEL-BIN SIZE AND STAND SIZE	6. WASTE MANAGEMENT SERVICES CURRENT COSTING MODEL-BIN SIZE AND FREQUENCY
12. PUBLIC CLEANING	12. Removed – Not applicable
1. PREAMBLE	1. PREAMBLE
<p>To combat this trend, the National Waste Minimisation Strategy has determined various principles and objectives that must be implemented by local government. To achieve this, EMM is in the process of restructuring and realigning its services. The latter will include partnership arrangements and local economic development initiatives focussed on community, business and industry involvement linked to various technical solutions and financial mechanisms to achieve the strategic objective of minimising waste as far as possible.</p> <p>The policy deals with both residential waste and non-residential waste management services, as provided by EMM or on behalf of EMM.</p>	<p>To combat this trend, the National Waste Management Strategy has determined various principles and objectives that must be implemented by local government. The latter will include partnership arrangements and local economic development initiatives focussed on community, business and industry involvement linked to various technical solutions and financial mechanisms to achieve the strategic objective of waste management as far as possible.</p> <p>The policy deals with residential waste management, non-residential waste management services and departmental usage as provided by EMM or on behalf of EMM.</p>
3. DEFINITIONS	3. DEFINITIONS
240/ Container (Wheelie bin)	Wheelie bin container

CURRENT POLICY	PROPOSED AMENDMENT POLICY
<p>A wheeled waste container with a capacity of 240l, provided by EMM</p> <p>Availability Charge</p> <p>Backyarders Residents of informal settlements who have erected informal structures in the backyard of another residential property</p> <p>Building/Demolition Waste/</p> <p>Clean Garden Waste Organic waste which emanates from gardening</p> <p>Containers 240l Container (wheelie bin), recycling container (Wheelie bin) and 1100l containers.</p> <p>Domestic Waste Waste excluding hazardous waste that emanates from premises used wholly or mainly for residential, educational, sport or recreational purposes.</p> <p>Formal Households A developed residential property where individual erven were approved in terms of town planning legislation.</p> <p>Hazardous Waste Waste that may, by circumstances of generation, production, use, quantity, concentration or inherent physical, chemical or toxicological characteristics, therefore, have a significant adverse effect on the environment, or the health of a person or other living organisms.</p> <p>Informal Settlements An area where no sub division of individual erven has taken place in terms of town planning legislation.</p> <p>Indigent Register Registered indigent debtors who meet certain criteria as determined by EMM from time to time.</p>	<p>A wheeled waste container with a capacity of 240l, 600l, 900l, 1100l and 1.75m3 provided by EMM</p> <p>Removed – Not applicable</p> <p>Secondary structure Residents occupying a structure at the backyard of another formal residence.</p> <p>Building/Demolition Waste/Spoils</p> <p>Clean Garden Waste Organic waste is generated from gardening</p> <p>Recycling Containers 240l wheelie bin with approved colour coded lids,</p> <p>Domestic Waste Waste excluding hazardous waste that emanates from premises used solely for residential, purposes.</p> <p>Formal Households A developed residential property promulgated in terms of town planning legislation.</p> <p>Hazardous Waste Waste that may, by circumstances of generation, production, use, quantity, concentration or inherent physical, chemical or toxicological characteristics, therefore, have a significant adverse effect on the environment, or the health of a person or other living organisms. The analysis must be from a laboratory.</p> <p>Informal Settlements Occupation of land that is not formally promulgated into individual stands</p> <p>Indigent Register Is a person that met specific national criteria to qualify to be an indigent and</p>

CURRENT POLICY	PROPOSED AMENDMENT POLICY
<p>Industrial Waste Waste that emanates from premises that are used wholly or mainly for industrial purposes....</p> <p>Non-domestic/business waste Waste that emanates from premises that are used wholly or mainly for commercial,.....</p> <p>Non-Residential Properties All developed properties not used for residential purposes and includes agricultural land, vacant land, hostels, guesthouses and old age homes.</p> <p>Normal Removal Rebates Discounts granted to single residential properties only valued up to R300 000. Residential sectional title properties, guesthouses, old age homes and hostels are excluded.</p> <p>Recycle Material Material that can be converted into raw materials that can be reused to make new products or resources.</p> <p>Residential Garage Waste Waste generated from household activities at residential properties which includes household and garage waste, but excludes kitchen waste, garden waste, building/demolition waste and hazardous waste.</p> <p>Residential Properties All improved properties that are: Used predominantly for residential purposes, with no more than three dwelling units per property.</p>	<p>is registered in the EMM indigent register.</p> <p>Industrial Waste Waste that is generated from premises that are used solely for industrial purposes.....</p> <p>Business waste Waste that is generated from premises that are used solely for commercial,.....</p> <p>Business institutions All developed properties not used for residential purposes</p> <p>Scheduled Refuse Removal Rebates Rebates are only applicable to resident users with a stand size of 0-300m2 and the property value of R300 000 and less.</p> <p>Recycle Material Removed – Not applicable</p> <p>Residential Garage Waste Removed – Not applicable</p> <p>Residential Properties Removed – Not applicable</p> <p>Add: Institutions 240l bin service on request with a rebate on the following institutions:</p> <p>Vacant Land All undeveloped land, properties without any buildings or structures, irrespective of usage, that could be used for residential or other purposes.</p> <p>Mixed use properties</p>

CURRENT POLICY	PROPOSED AMENDMENT POLICY
	<p>individual property is used for both residential and business. Zoning to be used for billing.</p> <p>Departmental usage Refuse removal services rendered to all or other departments after service delivery needs has been evaluated by Waste Management Services</p> <p>Environmental levy The tariff is levied to all residential properties not being levied an EMM refuse removal tariff because they do not receive a service</p>
4. SERVICE	4. SERVICE
<p>Waste Collection The collection of building/demolition waste, clean garden waste, domestic waste, hazardous waste, industrial waste, residential garage waste, non-domestic/business waste and recyclable material by the Municipality;</p>	<p>Waste Collection The collection of building/demolition waste, garden waste/green waste, domestic waste, industrial waste/ business, carcass removal.</p>
<p>Area Cleansing Removal of illegal dumping and littering, cleaning up in respect of Special Events Service, supply and service 1100l containers used for internal waste or events, picking up litter on EMM for events (normal working hours) and picking up litter on EMM property after events (after hours and weekends);</p> <p>Waste Minimization Any activity to prevent or reduce the volume and/or environmental impact of waste that is generated, treated, stored or disposed of through mechanisms such as re-using, recycling and processing waste for re-use; and</p> <p>Waste Disposal</p>	<p>Public Cleansing Removal of illegal dumping, littering picking, street sweeping, supply and servicing of relevant containers used for internal waste or events.</p> <p>Waste Minimization Removed – Not applicable</p> <p>Waste Treatment and Disposal</p>
6. COSTING MODEL – BIN SIZE AND STAND SIZE	6. WASTE MANAGEMENT SERVICES CURRENT COSTING MODEL - BIN SIZE AND STAND SIZE AND FREQUENCY
<p>The existing costing model in use is based on stand size with respect to the domestic service and derives from the amalgamation of the previous local Councils, wherein tariff structures varied greatly and ranged from a single tariff for all users to tariffs based on the number of rooms per dwelling, or on locality and geographic area. Uniform tariffs for the Ekurhuleni Metropolitan Municipality</p>	<p>Removed – Not applicable</p>

CURRENT POLICY	PROPOSED AMENDMENT POLICY
<p>were promulgated as from 2001/2002 financial year.</p> <p>It is recommended that the 240l bin system be implemented...</p> <p>Tariff models comparison Stand size/cost based and property value based:</p> <ul style="list-style-type: none"> • Not related to usage; • Not directly related to cost; • Can lead to over pricing/under-pricing of services; and • Due to demographic and changes in human settlement trends, this model may and do result in the some instances that the poor subsidise the more affluent portion of the community, especially in the case of high density developments. 	<p>The 240l bin system is currently being implemented ..</p> <p>Removed – Not applicable</p>
<p>Bin size/cost based model</p> <ul style="list-style-type: none"> • Scientific and objective; • Takes into account cost and promotes cost based pricing; • Promote business approach to running of operations; and • Scalable – can be made to relate to usage, and facilitate billing in terms of the user pays principle. <p>The loss/theft of 240l bins caused by.....</p>	<p>Removed – Not applicable</p> <p><u>The loss/theft</u> of 240l bins and bulk containers caused by....</p>

CURRENT AND PROPOSES AMENDED TARIFF'S

All Container services tariffs: are based on the size of the container and the frequency of removal.

Activity	Basis of Tariff calculation
Informal Settlements/ indigents	Zero rated (once per week)
Formal Areas serviced through bags system	Stand size (once per week)
Domestic Service for 240/ wheelie bins	Per bin (serviced once per week)
Flat/Town House Complex Refuse	Per unit per 240l bin (number of collections per week) Council reserves the right to decide whether other types/sizes of bulk containers should be used to eliminate service delivery inefficiencies at no additional cost to the customer.

Flat/Town House Complex Refuse where static compactors are installed	Per ton with minimum charge depending on which ever is the highest
Institutions	Per 240l bin (serviced once per week)
Business Refuse Removal	Per wheeled container size and number of services per week
Litter Picking	Rate per m ² of all business and industrial zoned erven with fixed maximum levy per month
City cleansing levy: Area cleaning	As per schedule of tariffs
Bulk Services container service	As per bin size and per frequency of service
Sundry Tariffs	Per removal
Environmental levy	As per schedule of tariffs
Refuse Disposal Sites	Rand per ton
General public and contractors from outside the boundaries of the metro	Rand per ton for external users

CURRENT POLICY	PROPOSED AMENDMENT POLICY
7. USER CATEGORIES	7. USER CATEGORIES
<p>EMM shall distinguish all waste collection services between two user categories, namely, Residential Properties and Non-Residential Properties.</p> <p>Waste management tariffs for EMM services or those provided by other entities on behalf of EMM shall accordingly distinguish between the same two user categories.</p> <p>Non-residential properties may opt to use either EMM service or the private contractor directly.</p>	<p>EMM shall distinguish all waste collection services between three user categories, namely, Residential Properties, Non-Residential Properties and User Charges.</p> <p>Waste management tariffs for EMM services or those provided by other entities on behalf of EMM shall accordingly distinguish between the same three user categories.</p> <p>For all non-residential properties EMM will have the first right of refusal to render waste management services. Where the private service providers are used it is the responsibility of the user to ensure the service comply with the relevant by –law or provincial/national statutes or regulation. The user shall be compelled to submit information types of refuse generated, volumes generated, service provider details and proof of safe disposal to Ekurhuleni Metropolitan Municipality Waste Management Services on request but not less than quarterly.</p>
CURRENT POLICY	PROPOSED AMENDMENT POLICY
7.1 Residential Properties	7.1 Residential Properties
7.2.1.1 Black lid 240l container service.	7.2.1.1 Black 240l container service.
7.2.1.2 Additional black lid 240l container service. Any residential property user may request one or more additional black lid 240l container service subject to the area being containerised.	7.2.1.2 Additional black 240l container service. Any residential property user may request one or more additional black 240l container service subject to the area being containerised.

CURRENT POLICY	PROPOSED AMENDMENT POLICY
7.2.1.3 Enhanced 240l container service.	Removed – Not applicable
7.2.5.5 Black lid 240l container service. All property owners (excluding sectional title properties and blocks of rented flats) are automatically billed for one basic black lid 240l container service.	7.2.5.5 Black 240l container service. All property owners (excluding sectional title properties and blocks of rented flats) are automatically billed for one basic black 240l container service.
7.2.5.6 Additional Black lid 240l container service. Any residential property user may request one or more additional black lid 240l container	7.2.5.6 Additional Black 240l container service. Any residential property user may request one or more additional black 240l container
7.2.5.7 Enhanced 240l container service. Only specified users (sectional title and blocks of flats) may request a blue lid 240l container service in addition to the black lid 240l container service subject to the area being containerised and users will be billed for at least a minimum of a third of the number of living units). The number of containers is based on the service delivery agreement with EMM (except for sectional title properties and blocks of flats that. The account is directly linked to the property number (erf number etc.) and served on the property owner	Removed – Not applicable Removed – Not applicable
7.2.6 Exemptions	7.2.6 Exclusions
7.2.6.2 Hostels, guesthouses and old age homes are not regarded as residential; and	7.2.6.2 Hostels, Guest houses and old age homes are not regarded as residential; and
7.2.6.3 Private land which EMM, due to economic, operational and practical reasons should not service.	Removed - Not applicable
7.3 Non Residential Properties	
7.3.1.1.3 85l bin liner.	7.3.1.1.3 Removed – Not applicable
7.3.2.1 Billing categories will be in accordance with the Credit Control and Debt Collection Policy and By-law.	7.3.2.1 Billing categories will be in accordance with the tariff structure and Waste Management by law.
7.2.3.2 Non-residential properties will be billed as set out below or as confirmed by internal inspectors and/or external auditors appointed by EMM to do a bin audit. The charges will not be variable, irrespective of whether the service is used or not or whether no waste is generated.	Removed – Not applicable
7.3.2.5 Black lid 240l container service. Request for one or more black lid 240l	7.3.2.5 240l container service. Request for one or more black 240l
7.4 Vacant Land	7.4 Vacant Land

CURRENT POLICY	PROPOSED AMENDMENT POLICY
7.4.3 Exemption	7.4.3 Exclusion
8. REBATES AND SUBSIDIES	8. REBATES AND SUBSIDIES
8.1 Rebated services funded from the indigent account: residential properties	Removed – Not applicable
8.2 Indigent bin subsidy/rebate apply to the total improved value of the property.	Removed – Not applicable
8.3 Contributions Income from disposal charges should not be used to subsidise other rates-funded services. Income from collection charges could be used to subsidise the provision of integrated collection, disposal and area cleaning services to informal households.	Removed – Not applicable
Rebates for residential properties will be based on four categories:	
Category	Percentage Rebate
Registered Indigents including informal settlements	100%
11. WASTE DISPOSAL	11. WASTE DISPOSAL
11.2.2 Loose body vehicle which will be charged at fixed volumetric measure of Container.	Removed – Not applicable
12. PUBLIC CLEANING	12. PUBLIC CLEANING
Illegal dumping and/or cleaning before, during or after events will be based on actual cost.	Removed – Not applicable
14. ADJUSTMENT TO ACCOUNTS	14. ADJUSTMENT TO ACCOUNTS
14.1 An executive official shall have delegated authority to adjust accounts on documented proof of an amended service level agreement (letter, email, etc.) and the applicable date of change.	14.1 An official as delegated by Head of department waste management services shall adjust accounts on documented proof of an amended service level agreement (letter, email, etc.) and the applicable date of change.
17. FUNDING OF NON-INCOME GENERATING SERVICES	17. FUNDING OF NON-INCOME GENERATING SERVICES
All non-income generating services under waste management services shall be funded through a levy billed to all billable residential and commercial clients. The services covered includes street sweeping, litter-picking and clearing of illegal dumping.	An official as delegated by Head of department waste management services shall adjust accounts on documented proof of an amended service level agreement (letter, email, etc.) and the applicable date of change.

CONSUMER DEPOSIT POLICY (Refer to Annexure D6)

CURRENT POLICY	PROPOSED POLICY
3 DETERMINATION OF THE AMOUNT OF A DEPOSIT	3 DETERMINATION OF THE AMOUNT OF A DEPOSIT
3.6 If a bank guarantee, is offered instead of payment in cash, the following will apply:	3.6 If a bank guarantee, is offered instead of payment in cash, the following will apply:

CURRENT POLICY	PROPOSED POLICY
<p>3.6.1 A maximum of one third ($\frac{1}{3}$) of the amount due in respect of the deposit may be tendered as a bank guarantee.</p> <p>3.6.2 The balance of the required deposit to be paid in cash.</p> <p>3.6.3 The bank guarantee tendered to be irrevocable until all dues in terms of the property has been settled.</p>	<p>3.6.1 A bank guarantee of 100% of the amount due in respect of the deposit may be tendered in respect of customers linked to the following tariff categories –</p> <ul style="list-style-type: none"> • Tariff C : Bulk supplies at any voltage and with a capacity of at least 25 kVA (minimum monthly NAC of 25 kVA) • Tariff D : Bulk supplies at any voltage and with a capacity of at least 1 MVA and a network access charge of at least 1 MVA over the previous 12 months • Tariff E: Bulk supplies at any voltage and with a capacity of > 25kVA and a NAC of < 1 MVA. <p>3.6.2 The bank guarantee tendered to be irrevocable until all dues in terms of the property has been settled.</p>

CREDIT CONTROL & DEBT COLLECTION POLICY (Refer to Annexure D8)

CURRENT POLICY	PROPOSED POLICY
2 DURATION AND CONDITIONS FOR PAYMENT OF ARREARS IN INSTALMENTS	
(e) (iii) instances of meter tampering or illegal connection;	(e)(iii) instances of proven meter tampering or illegal connection, no debt repayment arrangement and full outstanding amount is payable;

PROVISION FOR DOUBTFUL DEBTORS AND DEBTORS WRITE OFF (Refer to Annexure D9)

CURRENT POLICY			PROPOSED POLICY		
4.1 CONSUMER DEBTORS					
The following category in the calculation must be amended as follows:					
	Disconnection of services in excess of 6 times during preceding 12 months	Zero	100%		<div>Disconnection of services in excess of 6 times during preceding 12 months –<ul style="list-style-type: none">Debt ageing 0 – 90 daysDebt ageing 90+ Days</div> <div><div>100% 25%</div><div>Zero 75%</div></div>
4.1 CONSUMER DEBTORS					
			<div>Add –</div> <div>In terms of the provisions of GRAP standard AG125, the above-mentioned “Percentage of debt provided for as irrecoverable” will be reviewed and adjusted at the Statement of Financial Position</div>		

CURRENT POLICY	PROPOSED POLICY
	date on the basis of <u>current</u> observable data, to reflect the effects of current conditions that did not affect the period on which the historical loss experience is based and remove the effects of conditions in the historical period that do not exist currently. The methodology and assumptions used for estimating future cash flows will be reviewed to reduce any differences between loss estimates and actual loss experience.
5.1 Amounts equal to or lower than amounts delegated to the Chief Financial Officer by Council from time to time	
Income managers identifying irrecoverable debtors within the delegated powers of the CFO must prepare a report for the attention of the CFO detailing the nature of the underlying debt, conditions that led to the debt being identified as being irrecoverable, details on credit and debt collection processes followed to recover the debt and confirmation that all available avenues to recover the debt have been exhausted and that further actions would be fruitless and not cost effective.	Report of irrecoverable debtors detailing the nature of the underlying debt, conditions that led to the debt being identified as being irrecoverable, details on credit and debt collection processes followed to recover the debt and confirmation that all available avenues to recover the debt have been exhausted and that further actions would be fruitless and not cost effective must be submitted to Divisional Head Revenue.
The report of the income manager must be scrutinised by the income director and his recommendation must be documented in the report.	Report of irrecoverable debtors detailing the nature of the underlying debt, conditions that led to the debt being identified as being irrecoverable, details on credit and debt collection processes followed to recover the debt and confirmation that all available avenues to recover the debt have been exhausted and that further actions would be fruitless and not cost effective must be submitted to Divisional Head Revenue.
The final report containing the recommendations of both the income manager as well as the director income must be presented to the Group Chief Financial Officer for consideration.	Report containing recommendations of Divisional Head Revenue must be presented to the Group Chief Financial Officer for consideration.
5.2 Amounts exceeding the CFO's delegated authority	
The process for the consideration of write-off of debts in respect of amounts in excess of CFO delegated authority must be dealt with as follows:	
Income managers identifying irrecoverable debts in excess of Group Chief Financial Officer delegations and prepare report detailing the nature of the underlying debt, conditions that led to the debt being identified as being irrecoverable, details on credit and debt collection processes followed to recover the debt and confirmation that all available avenues to recover the	Report of irrecoverable debtors detailing the nature of the underlying debt, conditions that led to the debt being identified as being irrecoverable, details on credit and debt collection processes followed to recover the debt and confirmation that all available avenues to recover the debt have been exhausted and that further actions would be fruitless and not cost effective must be submitted to Divisional Head Revenue.

CURRENT POLICY	PROPOSED POLICY
debt have been exhausted and that further actions would be fruitless and not cost effective.	
The report of the income manager must be scrutinised by the income director and his recommendation must be documented in the report.	
The final report containing the recommendations of both the income manager as well as the director income must be presented to the up Chief Financial Officer for consideration.	Report containing recommendations of Divisional Head Revenue must be presented to the Group Chief Financial Officer for consideration.
5.3 Application of Prescription Act	
Income manager will assess application in terms of prescribed requirements. If in compliance with Prescription Act, approval may be granted to write-off prescribed portion of debt.	Income manager will assess application in terms of prescribed requirements. If in compliance with Prescription Act, report of irrecoverable debts detailing the nature of the underlying debt, conditions that led to the debt being identified as being prescribed, details on credit and debt collection processes followed to recover the debt and confirmation that debt has prescribed must be submitted to Divisional Head Revenue for consideration and approval.
	Add –
	5.6 Council Approved Write-Off Schemes.
	Council approved incentives or debt write-off schemes must be processed against the relevant debtors account and reflected as debit against Bad Debt Provision in the financial ledger.
	Incentives or debt write-offs to be processed to individual qualifying debtors accounts for the duration of scheme.

BUDGET IMPLEMENTATION AND MONITORING POLICY (Refer to Annexure D10)

The Budget Implementation and Monitoring Policy (Refer to Annexure D10) changed in total

ACCOUNTING POLICY (Refer to Annexure D12)

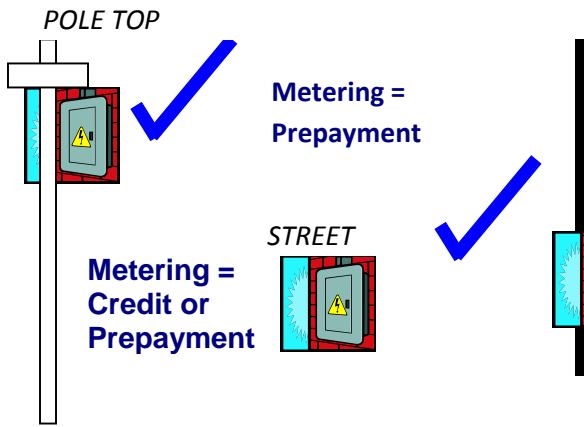
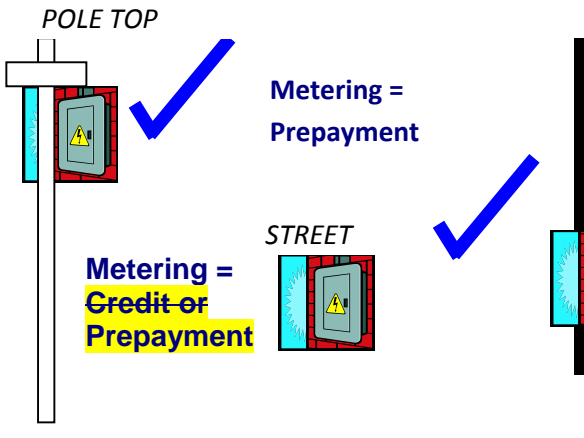
The Accounting Policy changed in total.

BORROWING POLICY (Refer to Annexure D14)

CURRENT POLICY	PROPOSED AMENDMENT POLICY
2. OBJECTIVES OF POLICY	3. OBJECTIVES OF POLICY
TO BE ADDED	Net cash as a % of total Interest bearing borrowings to be 40% or more;
To maintain a long-term credit rating of	To maintain a long-term credit rating above

AA3za as per the Moody's Investor Services Rating Scale	investment Grade as per the Moody's Investor Services Rating Scale;
6. FORM OF BORROWINGS	6. FORM OF BORROWINGS
Municipal bonds through the Bond Exchange of South Africa;	Municipal bonds through the JSE Limited (Johannesburg Stock Exchange)

ELECTRICITY METERING FOR RESIDENTIAL AND SMALL BUSINESS (Refer to Annexure D16)

CURRENT POLICY	PROPOSED AMENDMENT POLICY
5.1.2 METERING STRATEGY	5.1.2 METERING STRATEGY
<p>(a) The credit metering system currently in use is adequate for the most part and any additional capital outlay will only be justified if a move is made to a smart metering system;</p> <p>(b) Accessibility problems will be addressed as follows:</p> <p>(ii) moving the inaccessible credit meter to a suitable location following a costing provided to the customer (and payment received), or</p> <p>(c) in the pre smart metering phase, resources should be spent on routine inspections, recovery of lost income, legal action and the repair of broken meters.</p>	<p>(a) The credit metering system currently in use is now becoming outdated and must be replaced with a prepayment meter, or a smart meter (when available);</p> <p>(b) Accessibility problems will be addressed as follows:</p> <p>Removed – Not applicable</p> <p>(c) in the pre smart metering phase, resources should be spent on routine inspections, recovery of lost income, legal action and the replacement of credit meters with prepayment meters..</p>
	

CURRENT POLICY	PROPOSED AMENDMENT POLICY
5.3.1 METERING STRATEGY	5.3.1 METERING STRATEGY
<p>(d) Townhouse complexes – the risk to be assessed by the Head of Department: Energy. Depending on the outcome, steps are to be implemented as described for the above categories A and B.</p>	<p>d) Townhouse complexes – Categories A and B apply.</p>

POLICY FOR THE VENDING OF PRE-PAID ELECTRICITY (Refer to Annexure D17)

CURRENT POLICY		PROPOSED AMENDMENT POLICY	
2.	VENDING SYSTEMS	2.	VENDING SYSTEMS
2.3	Should sufficient capacity not be available within the "Vending and Network" Administration Sections of the depots to provide a satisfactory service to customers, then the management of the prepaid systems is to be outsourced, and the necessary contractors are to be appointed in terms of the Council's Supply Chain Management Policy.	2.3	The Chief Financial Officer is responsible for the contract employed to ensure prepayment vending through third party vendors. This is done for the convenience of the EMM customers, and essentially, entails the extension of existing vending points. Many of the outsourced points are open 24 hours per day.
4.	PROVISION OF VENDING STATIONS	4.	PROVISION OF VENDING STATIONS
4.3	In order to ensure that vending is available to customers on a 24 hour basis, Council shall appoint a vending service provider/s	4.3	In order to ensure that vending is available to customers on a 24 hour basis, Chief Financial Officer shall appoint a vending service provider/s.

2.5 Overview of budget assumptions

2.5.1 General inflation outlook and its impact on the municipal activities

There are five key factors that have been taken into consideration in the compilation of the 2015/16 MTREF:

- National Government macro-economic targets.
- The general inflationary outlook and the impact on the metro's residents and businesses.
- The impact of municipal cost drivers.
- The increase in prices for bulk electricity and water.
- The increase in the cost of remuneration.

The inflation outlook for the MTREF is as follows:

The following table reflects the inflation forecast as contained in Circular 74 of NT.

Fiscal Year	2014	2015	2016	2017	2018
	Actual	Estimate	Forecast		
CPI Inflation	5.6%	6.2%	5.8%	5.5%	5.3%

(Source Medium Term Budget Policy Statement)

2.5.2 Credit rating outlook

Table 37 Credit rating outlook

Security class	Currency	Rating	Annual rating 2014/2015	Previous rating
Short-term	Rand	Moody's	P-1.za	P-1.za
Long-term	Rand	Moody's	A1.za	Aa3.za
Outlook	Rand	Moody's	Stable	Negative

The rating definitions are:

- Short-term: Prime – 1 (highest quality)
Short-term Debt Ratings (maturities of less than one year)
Prime-1 (highest quality)
- Long-term: Aa2za
Defined as high grade. "Aa" rated are judged to be of high quality and are subject to very low credit risk.
- Senior unsecured debt (rating attached to municipal bond programme): Aa2za
Defined as high grade. "Aa" rated are judged to be of high quality and are subject to very low credit risk.
- Long-term: Aa3.za
Defined as high grade: "Aa" rated are judged to be of high quality and subject to very low risk for long-term debt and the best ability to repay short-term debt.
- Long-term: A1.za

Defined as high grade: “A” rated are judged to be of upper medium grade and subject to very low risk for long-term debt and the best ability to repay short-term debt.

2.5.3 Interest rates for borrowing and investment of funds

The MFMA specifies that borrowing can only be utilised to fund capital or refinancing of borrowing in certain conditions. The City had a R4 billion Domestic Medium-term Note Programme registered which was applicable to last five financial years for the capital expenditure funding and formed the basis of the borrowings programme. For the 2014/15 MTREF the City registered another R4 billion Domestic Medium-term Note Programme as approved by Council. It is based on the assumption that borrowings are undertaken using fixed interest rates (assumed at 11% p.a.) for external funding requiring semi-annual interest payments.

2.5.4 Collection rate for revenue services

The rate of revenue collection is currently expressed as a percentage (93%) of annual billings. Cash flow is assumed to be 93% of billings. No provision has been made for increased collection of arrear debt and any revenue yielded from this will be used to strengthen the liquidity position of the City.

2.5.5 Growth or decline in tax base of the municipality

Growth projections – growth projections refer to the increase in the number of units consumed for the service. It does not refer to the increase in the tariff, nor does it reflect the total increase in income. It is expressed as a percentage which represents the percentage increase in units consumed. Growth projections are determined per service which is driven by service specific trends. Electricity, as an example, is predicting a 0%-growth rate due to the various energy efficiency initiatives. The individual growth rates are:

- Assessment rates: 1.6%
- Electricity: 0%
- Water: 1.6%
- Sanitation: 1.6%
- Solid Waste: 1.6%

Household formation is the key factor in measuring municipal revenue and expenditure growth, as servicing ‘households’ is a greater municipal service factor than servicing individuals. Household formation rates are assumed to convert to household dwellings. In addition the change in the number of poor households influences the net revenue benefit derived from household formation growth, as it assumes that the same costs incurred for servicing the household exist, but that no consumer revenue is derived as the ‘poor household’ limits consumption to the level of FBS.

2.5.6 Salary increases

A 6.8% cost of living increase has been provided for.

2.5.7 Impact of national, provincial and local policies

Integration of service delivery between national, provincial and local government is critical to ensure focussed service delivery and in this regard various measures were

implemented to align IDPs, provincial and national strategies around priority spatial interventions. In this regard, the following national priorities form the basis of all integration initiatives:

- National Development Plan addressing inter alia economic growth and job creation.
- Enhancing education and skills development.
- Improving health services.
- Rural development and agriculture.
- Fighting crime and corruption.

2.5.8 Ability of the municipality to spend and deliver on the programmes

It is estimated that a spending rate of at least 95% is achieved on operating expenditure and 90% on the capital programme for the 2015/16 MTREF of which performance has been factored into the cash flow budget.

2.6 Overview of budget funding

2.6.1 Medium-term Outlook: Operating Revenue

Tariff setting plays a major role in ensuring desired levels of revenue. Getting tariffs right assists in the compilation of a credible and funded budget. The metro derives most of its operational revenue from the provision of goods and services such as water, electricity, sanitation and solid waste removal. Property rates, operating and capital grants from organs of state and other minor charges (such as building plan fees, licenses and permits etc.).

The revenue strategy is a function of key components such as:

- Growth in the city and economic development.
- Revenue management and enhancement.
- Achievement of a 93% annual collection rate for consumer revenue.
- National Treasury guidelines.
- Electricity tariff increases within the National Energy Regulator of South Africa (NERSA) approval.
- Achievement of full cost recovery of specific user charges.
- Determining tariff escalation rate by establishing/calculating revenue requirements.
- The Property Rates Policy in terms of the Municipal Property Rates Act, 2004 (Act 6 of 2004) (MPRA).
- The ability to extend new services and obtain cost recovery levels.

The above principles guide the annual increase in the tariffs charged to the consumers and the ratepayers, aligned to the economic forecasts.

The proposed tariff increases for the 2015/16 MTREF on the different revenue categories are:

Table 38 Proposed tariff increases over the medium

Revenue category	2015/16 Proposed tariff increase	2016/17 Proposed tariff increase	2017/18 Proposed tariff increase
	%	%	%
Property rates	7.5	10.0	10.0
Sanitation	9.5	9.5	9.5
Solid waste	8.0	8.0	8.0
Water	14.5	9.5	9.5
Electricity	12.2	12.2	12.2

The following table is a detailed analysis of the methodology in the calculation of the income rates and services:

Table 39 Detailed Budget Assumption for services

INCREASE IN SERVICES INCOME	2014/15	2015/16 (Note 1)	2016/17	2017/18
	%	%	%	%
Base Adjustment/ Efficiency Adjustment				
- Assessment Rates Income	-0.48%	-2.09%	-1.52%	-0.60%
- Electricity Sales	-4.50%	0.04%	-0.37%	-0.36%
- Water Sales	0.44%	3.78%	0.50%	-0.50%
- Sanitation Sales	2.74%	0.25%	-0.42%	-0.87%
- Refuse Removal / Solid Waste Sales	-2.72%	-1.27%	-0.09%	-0.09%
Growth in Consumption of Services				
- Assessment Rates Income	2.00%	1.60%	1.60%	1.60%
- Electricity Sales	-1.00%	0.00%	0.00%	0.00%
- Water Sales	2.00%	1.60%	0.00%	0.00%
- Sanitation Sales	2.00%	1.60%	1.60%	1.60%
- Refuse Removal / Solid Waste Sales	2.00%	1.60%	0.00%	0.00%
Tariff Increases				
- Assessment Rates Income	7.50%	7.50%	10.00%	10.00%
- Electricity Sales	7.39%	12.20%	12.20%	12.20%
- Water Sales	8.10%	14.50%	9.50%	9.50%
- Sanitation Sales	8.00%	9.50%	8.00%	8.00%
- Refuse Removal / Solid Waste Sales	8.00%	8.00%	8.00%	8.00%
Total Income Increases				
- Assessment Rates Income	9.02%	7.1%	10.08%	11.00%
- Electricity Sales	1.89%	12.24%	11.83%	11.84%
- Water Sales	10.54%	19.88%	10.00%	9.00%
- Sanitation Sales	12.74%	11.35%	9.18%	8.73%
- Refuse Removal / Solid Waste Sales	7.28%	8.33%	7.91%	7.91%
Bulk purchase increase				
- Electricity	8.06%	14.24%	14.24%	14.24%
- Water	8.10%	14.50%	9.50%	9.50%
- Sanitation	8.00%	9.50%	9.50%	9.50%

Note 1: Increase of 2015/16 is compared with the 2014/15 **Adjustment Budget**

The tables below provide detailed investment information and investment particulars by maturity.

Table 40 MBRR SA15 – Detailed Investment Information

EKU Ekurhuleni Metro - Supporting Table SA15 Investment particulars by type									
Investment type	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
R thousand									
Parent municipality									
Securities - National Government	-	-	-	-	-	-	-	-	-
Listed Corporate Bonds	-	-	-	-	-	-	-	-	-
Deposits - Bank	183,946	114,264	164,177	138,638	138,638	138,638	138,638	138,638	138,638
Deposits - Public Investment Commissioners	-	-	-	-	-	-	-	-	-
Deposits - Corporation for Public Deposits	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000
Bankers Acceptance Certificates	-	-	-	-	-	-	-	-	-
Negotiable Certificates of Deposit - Banks	-	-	-	-	-	-	-	-	-
Guaranteed Endowment Policies (sinking)	-	-	-	-	-	-	-	-	-
Repurchase Agreements - Banks	-	-	-	-	-	-	-	-	-
Municipal Bonds	305,525	708,721	612,154	638,944	638,944	638,944	926,381	1,213,819	1,501,256
Municipality sub-total	493,470	826,986	780,332	781,582	781,582	781,582	1,069,019	1,356,457	1,643,894
Entities									
Entities sub-total	-	-	-	-	-	-	-	-	-
Consolidated total:	493,470	826,986	780,332	781,582	781,582	781,582	1,069,019	1,356,457	1,643,894

Table 41 MBRR SA16 – Investment particulars by maturity

EKU Ekurhuleni Metro - Supporting Table SA16 Investment particulars by maturity													
Investments by Maturity	Period of Investment	Type of Investment	Capital Guarantee (Yes/ No)	Variable or Fixed interest	Interest Rate 3.	Commission Paid (Rands)	Commission Recipient	Expiry date of investment	Opening balance	Interest to be realised	Partial / Premature Withdrawal (4)	Investment Top Up	Closing Balance
Name of institution & investment ID	Yrs/Months												
Parent municipality													
Absa Bank	2	Fixed Deposit	Yes	Fixed	0.0629	no	n/a	21 February 2014	21,285	1,339	–	–	22,624
Absa Bank	4	Call deposit	Yes	Variable	0.0925	no	n/a	on demand	31,602	2,923	–	–	34,525
Rand Merchant Bank (01/10/08)	15	Guaranteed Trust	Yes	Fixed	0.1325	no	n/a	31/07/2015	3,446	457	–	–	3,903
Rand Merchant Bank (01/10/08)	1	Money Market	no	Variable	0.1708	no	n/a	on demand	27,673	4,727	–	–	32,399
Rand Merchant Bank (01/10/08)	18	Guaranteed Trust	Yes	Fixed	0.1476	no	n/a	28/10/2016	15,686	2,315	–	–	18,002
Investec Bank (13/11/08)	1	Dbsa Loan	Yes	Variable	0.1	no	n/a		37,898	3,790	–	–	41,688
Stanlib	15	Money Market	Yes	Variable	0.0575	no	n/a	10 April 2015	3,666	211	–	–	3,877
Sanlam	1	Call Deposit	Yes	Variable	0.0575	no	n/a		128	7	–	–	135
Rand Merchant Bank	9	Structured Deposit	Yes	Variable	Growth	no	n/a	28/02/2020	115,135	–	(514,532)	508,643	109,246
Standard Bank	3	Structured Deposit	Yes	Variable	Growth	no	n/a	31/03/2014	115,048	–	(423,980)	362,533	53,601
Investec	9	Structured Deposit	Yes	Variable	Growth	no	n/a	01 March 2021	114,909	–	(686,080)	984,427	413,256
Nedbank	11	Structured Deposit	Yes	Variable	Growth	no	n/a	01 May 2024	117,651	–	(804,000)	1,018,114	331,765
Rand Airport	1	Shareholding	no	Variable	Growth	no	n/a		4,000	–	–	–	4,000
Inca	1	Zero Coupon	no	Variable		no	n/a	30 November 2014	0	–	–	–	0
Municipality sub-total									608,126	15,768	(2,428,592)	2,873,717	1,069,019
Entities													–
Entities sub-total									–		–	–	–
TOTAL INVESTMENTS AND INTEREST									608,126		(2,428,592)	2,873,717	1,069,019

2.6.2 Medium-term outlook: capital revenue

The following table is a breakdown of the funding composition of the 2015/16 medium-term capital programme:

Table 42 Sources of capital revenue over the MTREF

2015/16 Medium Term Revenue & Expenditure Framework - Per Source Of Finance						
Source Of Finance	Budget Year 2015/16	%	Budget Year +1 2016/17	%	Budget Year +2 2017/18	%
Capital Replacement Reserve (CRR)	502,200,000	11.23%		0.00%		0.00%
Energy Efficiency & Demand Side Management (EEDSM)	14,000,000	0.31%	20,000,000	0.40%	20,000,000	0.39%
Human Settlement Development Grant (HSDG)	29,079,000	0.65%	-	0.00%	-	0.00%
Integrated National Electrification Programme (INEP)	50,000,000	1.12%	40,000,000	0.81%	30,000,000	0.58%
External Loans	1,006,655,000	22.51%	1,812,300,000	36.55%	1,711,600,000	33.03%
Neighborhood Development Partnership Grant (NDPG)	20,000,000	0.45%	60,000,000	1.21%	53,390,000	1.03%
Provincial Grant	3,000,000	0.07%	8,000,000	0.16%	6,000,000	0.12%
Public Transport Network Grant (PTNG)	309,296,000	6.92%	404,389,000	8.16%	536,544,000	10.35%
Revenue	987,152,906	22.08%	945,248,200	19.07%	1,104,911,270	21.32%
Urban Settlement Development Grant (USDG)	1,550,180,521	34.67%	1,668,090,646	33.64%	1,720,000,000	33.19%
Total	4,471,563,427	100%	4,958,027,846	100%	5,182,445,270	100%

Table 43 MBRR Table SA17 - Detail of borrowings

EKU Ekurhuleni Metro - Supporting Table SA17 Borrowing									
Borrowing - Categorised by type	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
R thousand	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
<u>Parent municipality</u>									
Long-Term Loans (annuity/reducing balance)	1,485,586	856,157	1,147,491	1,119,764	1,119,764	1,163,597	1,001,597	821,189	620,348
Long-Term Loans (non-annuity)	432,620	432,620	32,620	32,620	32,620	–			
Marketable Bonds	2,415,000	3,215,000	3,841,000	5,100,000	5,100,000	3,688,787	4,744,206	6,782,431	8,667,931
Municipality sub-total	4,333,206	4,503,777	5,021,111	6,252,384	6,252,384	4,852,384	5,745,802	7,603,619	9,288,279
<u>Entities</u>									
Long-Term Loans (annuity/reducing balance)									
Entities sub-total	–	–	–	–	–	–	–	–	–
Total Borrowing	4,333,206	4,503,777	5,021,111	6,252,384	6,252,384	4,852,384	5,745,802	7,603,619	9,288,279
Unspent Borrowing - Categorised by type									
<u>Parent municipality</u>									
Marketable Bonds	87,660	412,161	246,903	–	–	135,959	–	–	–
Municipality sub-total	87,660	412,161	246,903	–	–	135,959	–	–	–
<u>Entities</u>									
Long-Term Loans (annuity/reducing balance)									
Entities sub-total	–	–	–	–	–	–	–	–	–
Total Unspent Borrowing	87,660	412,161	246,903	–	–	135,959	–	–	–

The following graph illustrates the growth in outstanding borrowing for the 2010/11 to 2016/17 period.

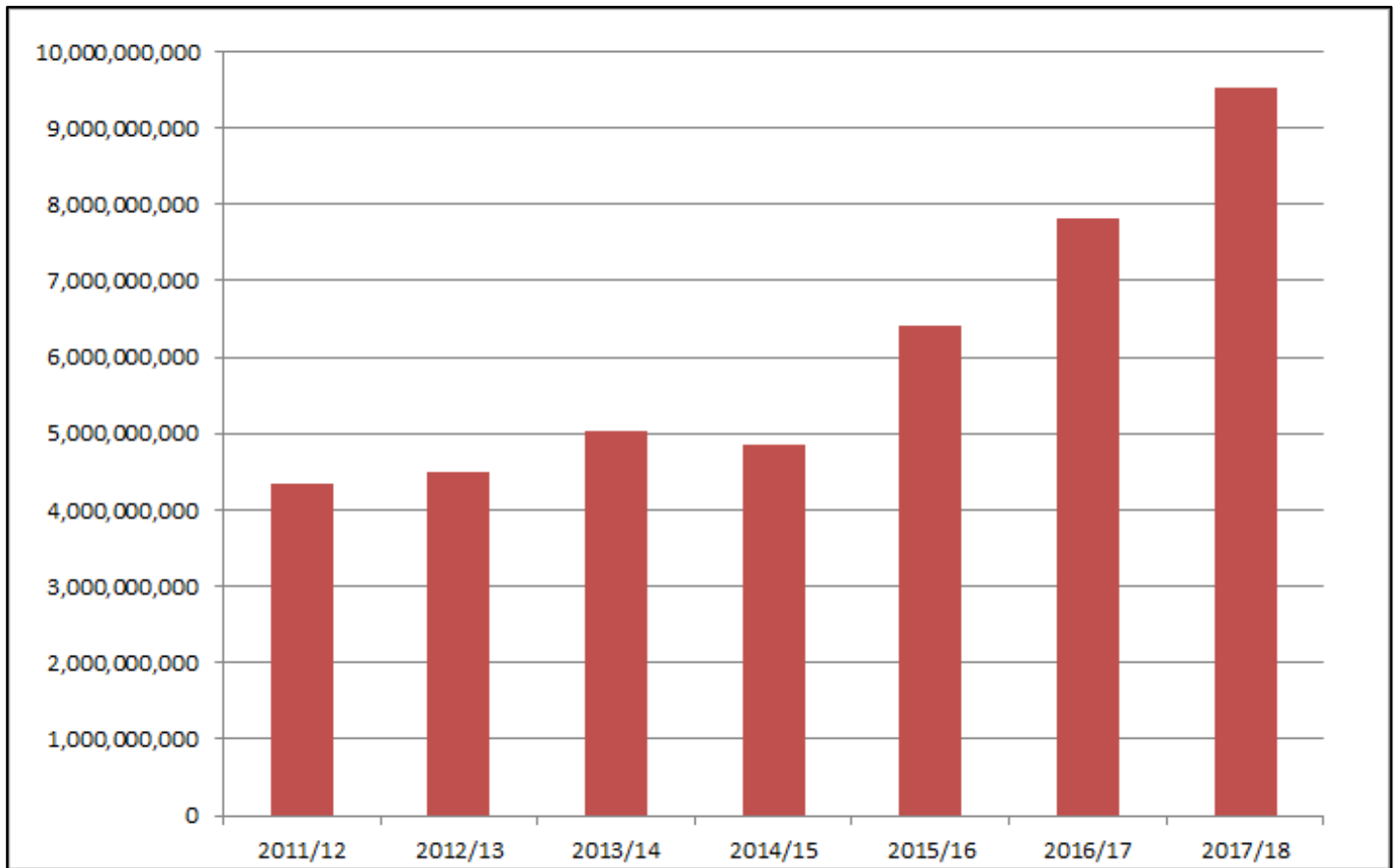


Figure 7 Growth in outstanding borrowing (long-term liabilities)

Internally generated funds consist of a mixture between surpluses generated on the operating statement of financial performance and cash-backed reserves. In determining the credibility of this funding source it becomes necessary to review the cash flow budget as well as the cash-backed reserves and accumulated funds reconciliation, as discussed below. Internally generated funds consist of R987m in 2015/16, R945m in 2016/17 and R1,1 billion in 2017/18.

Table 44 MBRR Table SA18 - Capital transfers and grant receipts

EKU Ekurhuleni Metro - Supporting Table SA18 Transfers and grant receipts									
Description	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
R thousand	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
Capital Transfers and Grants									
National Government:	1,186,773	1,135,866	1,632,538	1,920,981	2,033,437	2,033,437	1,943,477	2,192,480	2,359,934
MIG/USDG	1,019,773	997,123	1,358,995	1,569,981	1,664,713	1,664,713	1,550,181	1,668,091	1,720,000
Public Transport and Systems	20,000	47,500	239,543	230,000	290,224	290,224	309,296	404,389	536,544
INEP	100,000	73,000	10,000	61,000	61,000	61,000	50,000	40,000	30,000
Electrification Demand Side Management	47,000	12,000	16,000	10,000	17,500	17,500	14,000	20,000	20,000
Other capital transfers/grants [insert desc]		6,243	8,000	50,000	–	–	20,000	60,000	53,390
Provincial Government:	2,618	71,399	4,644	76,700	5,826	5,826	32,079	8,000	6,000
Other capital transfers/grants [insert description]	2,618	71,399	4,644	76,700	5,826	5,826	32,079	8,000	6,000
District Municipality:	–	–	–	–	–	–	–	–	–
[insert description]									
Other grant providers:	11,850	–	–	5,500	4,500	4,500	–	–	–
Public Contributions	11,850			5,500	4,500	4,500	–	–	–
Foreign Grants									
Total Capital Transfers and Grants	1,201,241	1,207,266	1,637,183	2,003,181	2,043,763	2,043,763	1,975,556	2,200,480	2,365,934
TOTAL RECEIPTS OF TRANSFERS & GRANTS	4,523,307	4,879,317	4,102,547	4,686,296	4,856,729	4,863,275	4,911,989	5,262,455	5,763,684

2.6.3 Cash Flow Management

Cash flow management and forecasting is a critical step in determining if the budget is funded over the medium-term. The table below is consistent with international standards of good financial management practice and also improves understanding for councillors and management. Some specific features include:

- Clear separation of receipts and payments within each cash flow category.
- Clear separation of capital and operating receipts from government, which also enables cash from 'ratepayers and other' to be provided for as cash inflow based on actual performance. In other words the actual collection rate of billed revenue.
- Separation of borrowing and loan repayments (no set-off), to assist with MFMA compliance assessment regarding the use of long term-borrowing (debt).

Table 45 MBRR Table A7 - Budget cash flow statement

Eku Ekurhuleni Metro - Table A7 Budgeted Cash Flows										
Description	2011/12	2012/13	2013/14	Current Year 2014/15				2015/16 Medium Term Revenue & Expenditure Framework		
R thousand	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
CASH FLOW FROM OPERATING ACTIVITIES										
Receipts										
Property rates, penalties & collection charges	14,289,572	15,664,592	16,903,809	21,272,093	21,376,654	21,034,815	21,034,815	4,190,610	4,616,137	5,124,989
Service charges								18,196,441	20,290,155	22,508,158
Other revenue								746,436	2,387,776	2,538,111
Government - operating	3,221,894	3,711,812	3,825,396	2,683,115	2,812,966	2,683,115	2,683,115	4,465,243	3,112,830	3,457,959
Government - capital	1,301,441	1,167,478	1,629,069	2,003,181	2,043,763	2,003,181	2,003,181	1,975,556	2,200,480	2,365,934
Interest	353,623	497,248	732,360	439,964	501,919	439,964	439,964	589,465	639,793	694,433
Dividends								-	-	-
Payments										
Suppliers and employees	(15,215,152)	(16,023,400)	(17,546,823)	(21,026,331)	(21,358,081)	(20,322,989)	(20,322,989)	(24,380,964)	(26,807,464)	(29,376,569)
Finance charges	(453,418)	(522,866)	(572,960)	(706,964)	(670,458)	(706,964)	(706,964)	(763,197)	(858,587)	(965,921)
Transfers and Grants	(426,285)	(960,645)	(1,060,444)	(1,049,071)	(1,050,195)	(1,049,071)	(1,049,071)	(1,112,987)	(1,235,472)	(1,360,401)
NET CASH FROM/(USED) OPERATING ACTIVITIES	3,071,675	3,534,219	3,910,406	3,615,986	3,656,568	4,082,051	4,082,051	3,906,600	4,345,647	4,986,691
CASH FLOWS FROM INVESTING ACTIVITIES										
Receipts										
Proceeds on disposal of PPE	1,646							-	-	-
Decrease (Increase) in non-current debtors	-							-	-	-
Decrease (increase) other non-current receivables	(187)	133	(120)					-	-	-
Decrease (increase) in non-current investments	(242,575)	(333,515)	46,654	(158,811)	(158,811)	(158,811)	(158,811)	(287,437)	(287,437)	(287,437)
Payments										
Capital assets	(2,001,014)	(2,370,437)	(2,615,088)	(3,790,366)	(3,810,950)	(3,790,366)	(3,790,366)	(4,471,563)	(4,958,028)	(5,182,445)
NET CASH FROM/(USED) INVESTING ACTIVITIES	(2,242,131)	(2,703,819)	(2,568,554)	(3,949,177)	(3,969,761)	(3,949,177)	(3,949,177)	(4,759,001)	(5,245,465)	(5,469,883)
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Short term loans	-							-	-	-
Borrowing long term/refinancing	800,000	800,000	785,000	1,100,000	1,100,000	1,100,000	1,100,000	1,006,665	1,812,300	1,711,600
Increase (decrease) in consumer deposits	45,573	87,866	22,731	40,784	40,784	15,797	15,797	16,191	16,596	17,011
Payments										
Repayment of borrowing	(175,557)	(182,314)	(629,421)	(222,087)	(222,087)	(222,087)	(222,087)	(267,666)	(286,075)	(306,507)
NET CASH FROM/(USED) FINANCING ACTIVITIES	670,016	705,553	178,311	918,698	918,698	893,710	893,710	755,190	1,542,821	1,422,104
NET INCREASE/ (DECREASE) IN CASH HELD	1,499,561	1,535,953	1,520,163	585,507	605,505	1,026,583	1,026,583	(97,211)	643,003	938,912
Cash/cash equivalents at the year begin:	1,338,863	2,838,424	4,374,377	3,755,814	3,755,814	3,755,814	3,755,814	4,782,398	4,685,187	5,328,190
Cash/cash equivalents at the year end:	2,838,424	4,374,377	5,894,540	4,341,321	4,361,320	4,782,398	4,782,398	4,685,187	5,328,190	6,267,103

Since 2011/12 MTREF budget, various cost efficiencies and savings had to be realised to ensure the metro could meet its operational expenditure commitments. In addition, the metro undertook an extensive debt collection process to boost cash levels. These initiatives and interventions have translated into a positive cash position for the metro and it is projected that cash and cash equivalents on hand will increase to R4.7 billion by the 2014/15 financial year end. Furthermore the budget has been prepared to ensure high levels of cash and cash equivalents over the medium-term with cash levels anticipated to reach R5.3 billion by 2016/17 and steadily increasing to R6.3 billion by 2017/18.

2.6.4 Cash-backed Reserves/Accumulated Surplus Reconciliation

The following table meets the requirements of MFMA Circular 42 which deals with the funding of a municipal budget in accordance with Sections 18 and 19 of the MFMA. The table seeks to answer three key questions regarding the use and availability of cash:

- What are the predicted cash and investments that are available at the end of the budget year?
- How are these funds used?
- What is the net funds available or funding shortfall?

A surplus would indicate the cash-backed accumulated surplus that was/is available. A shortfall (applications > cash and investments) is indicative of non-compliance with Section 18 of the MFMA requirement that the municipality's budget must be 'funded'. Non-compliance with Section 18 is assumed because a shortfall would indirectly indicate that the annual budget is not appropriately funded (budgeted spending is greater than funds available or to be collected). It is also important to analyse trends to understand the consequences, e.g. the budget year might indicate a small surplus situation, which in itself is an appropriate outcome, but if in prior years there were much larger surpluses then this negative trend may be a concern that requires closer examination.

Table 46 MBRR Table A8 – Cash-backed reserves/accumulated surplus reconciliation

EKU Ekurhuleni Metro - Table A8 Cash backed reserves/accumulated surplus reconciliation										
Description	2011/12	2012/13	2013/14	Current Year 2014/15				2015/16 Medium Term Revenue & Expenditure Framework		
R thousand	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
Cash and investments available										
Cash/cash equivalents at the year end	2,838,424	4,374,377	5,894,540	4,341,321	4,361,320	4,782,398	4,782,398	4,685,187	5,328,190	6,267,103
Other current investments > 90 days	21,285	22,772	143,070	22,771	22,771	143,070	143,070	143,070	143,070	143,070
Non current assets - Investments	472,185	804,214	637,262	758,811	758,811	638,512	638,512	925,950	1,213,387	1,500,825
Cash and investments available:	3,331,895	5,201,363	6,674,872	5,122,903	5,142,902	5,563,980	5,563,980	5,754,207	6,684,647	7,910,997
Application of cash and investments										
Unspent conditional transfers	99,676	232,407	370,603	-	-	-	-	-	-	-
Unspent borrowing	87,660	412,161	246,903	-	-	135,959	-	-	-	-
Statutory requirements										
Other working capital requirements	645,190	692,334	555,985	828,143	826,862	479,059	479,059	535,900	170,152	132,250
Other provisions	684,614	762,445	743,849	913,399	913,399	913,399	913,399	594,532	638,079	638,079
Long term investments committed	464,610	819,320	772,469	615,526	615,526	615,526	615,526	1,059,906	1,347,344	1,634,781
Reserves to be backed by cash/investments		803,186	1,005,015	1,046,186	1,046,186	1,046,186	1,046,186	1,193,186	1,343,186	1,593,186
Total Application of cash and investments:	1,981,751	3,721,852	3,694,823	3,403,254	3,401,973	3,190,129	3,054,170	3,383,524	3,498,760	3,998,296
Surplus(shortfall)	1,350,144	1,479,511	2,980,049	1,719,650	1,740,929	2,373,851	2,509,810	2,370,682	3,185,887	3,912,701
Other working capital requirements										
Debtors	2,968,013	3,683,963	4,426,070	2,874,932	2,876,213	4,474,016	4,474,016	4,424,904	4,799,251	4,846,700
Creditors due	3,613,203	4,376,297	4,982,055	3,703,075	3,703,075	4,953,075	4,953,075	4,960,804	4,969,403	4,978,950
Total	(645,190)	(692,334)	(555,985)	(828,143)	(826,862)	(479,059)	(479,059)	(535,900)	(170,152)	(132,250)
Debtors collection assumptions										
Balance outstanding - debtors	3,342,530	4,058,533	5,067,758	3,162,863	3,162,863	4,962,863	4,962,863	5,010,754	5,096,853	5,143,792
Estimate of debtors collection rate	88.8%	90.8%	87.3%	90.9%	90.9%	90.1%	90.1%	88.3%	94.2%	94.2%

From the above table and the discussion of Table A8 on page 77 it can be seen that the cash and investments available will increase to R6.7 billion by 2016/17, which includes the projected cash and cash equivalents as determined in the cash flow forecast. The following is a breakdown of the application of this funding:

- Unspent conditional transfers (grants) are automatically assumed to be an obligation as the municipality has received government transfers in advance of meeting the conditions. Ordinarily, unless there are special circumstances, the municipality is obligated to return unspent conditional grant funds to the national revenue fund at the end of the financial year. In the past these have been allowed to 'roll-over' and be spent in the ordinary course of business, but this practice has been discontinued. During 2009/10, National Treasury issued Circular 51 which outlines the process to be followed in order to retain unspent conditional grants. Council has to apply annually for the roll-over of unspent grants.
- There is an amount of R193.7m unspent borrowing from the previous financial year (2013/14). In terms of the municipality's Borrowing and Investments Policy, borrowings are only drawn down once the expenditure has been incurred against the particular project. Unspent borrowing is ring-fenced and reconciled on a monthly basis to ensure no unnecessary liabilities are incurred.
- The main purpose of other working capital is to ensure that sufficient funds are available to meet obligations as they fall due. A key challenge is often the mismatch between the timing of receipts of funds from debtors and payments due to employees and creditors. High levels of debtor non-payment and receipt delays will have a greater requirement for working capital. For the purpose of the cash-backed reserves and accumulated surplus reconciliation a provision equivalent to one month's operational expenditure has been provided for. It needs to be noted that although this can be considered prudent, the desired cash levels should be 90 days to ensure continued liquidity of the municipality. Any underperformance in relation to collections could place upward pressure on the ability of the metro to meet its creditor obligations.
- Other provisions to the amount of R913m has been provided for the 2014/15 financial year and this decreases to R638m by 2017/18. This liability is informed by, amongst others, the supplementary pension liability.
- Long-term investments consist primarily of the sinking funds for the repayment of future borrowings. The sinking fund value is held within long-term investments and must be 'held to maturity' and is not available for spending. This commitment amounts to R1.1 billion for the 2015/16 financial year.
- Most reserve fund cash-backing is discretionary in nature, but the reserve funds are not available to support a budget unless they are cash-backed. The reserve funds are not fully cash-backed. The level of cash-backing is directly informed by the municipality's cash-backing policy. These include the rehabilitation of landfill sites and quarries.

For the current year a cash surplus is forecasted and for future years an increase of surplus cash is predicted as indicated on the above table. In conclusion, from a pure cash flow perspective (cash out flow versus cash inflow) the budget is funded and is therefore credible for the MTREF. The challenge for the metro will be to ensure that the underlying planning

and cash flow assumptions are meticulously managed, especially the performance against the collection rate.

The following graph supplies an analysis of the trends relating cash and cash equivalents and the cash-backed reserves/accumulated funds reconciliation over a seven-year perspective.

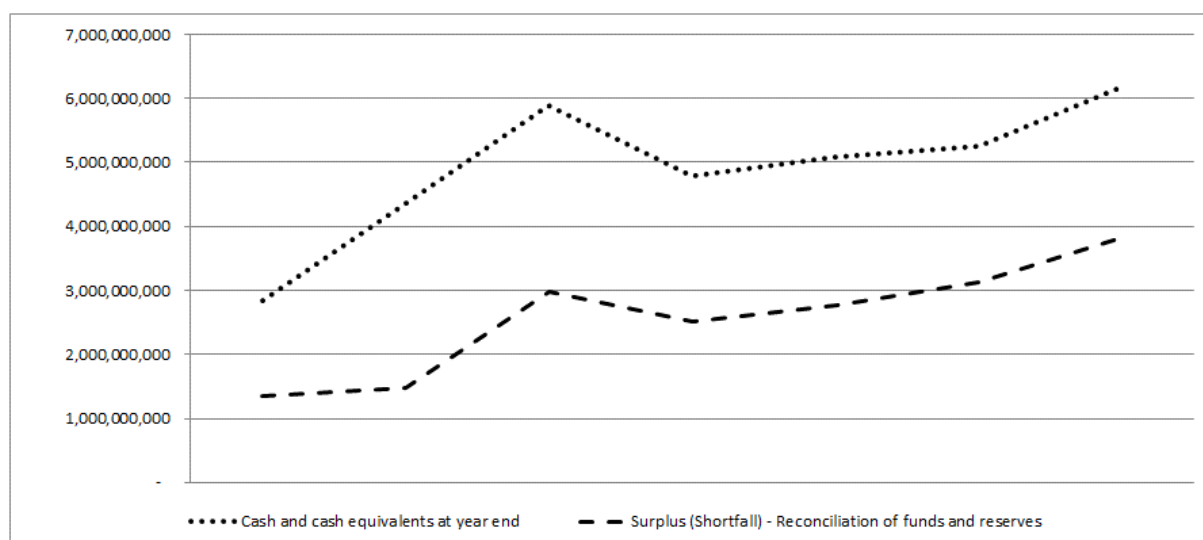


Figure 8 Cash and cash equivalents / Cash-backed reserves and accumulated funds

2.6.5 Funding compliance measurement

National Treasury requires that the municipality assess its financial sustainability against 14 different measures that look at various aspects of the financial health of the municipality. These measures are contained in the following table. All the information comes directly from the annual budgeted statements of financial performance, financial position and cash flows. The funding compliance measurement table essentially measures the degree to which the proposed budget complies with the funding requirements of the MFMA. Each of the measures is discussed below.

Table 47 MBRR SA10 – Funding compliance measurement

Eku Ekurhuleni Metro Supporting Table SA10 Funding measurement											
Description	MFMA section	2011/12	2012/13	2013/14	Current Year 2014/15				2015/16 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
Funding measures											
Cash/cash equivalents at the year end - R'000	18(1)b	2,838,424	4,374,377	5,894,540	4,341,321	4,361,320	4,782,398	4,782,398	4,685,187	5,328,190	6,267,103
Cash + investments at the yr end less applications - R'000	18(1)b	1,350,144	1,479,511	2,980,049	1,719,650	1,740,929	2,373,851	2,509,810	2,370,682	3,185,887	3,912,701
Cash year end/monthly employee/supplier payments	18(1)b	2.1	3.0	3.8	2.5	2.5	2.8	2.8	2.4	2.5	2.6
Surplus/(Deficit) excluding depreciation offsets: R'000	18(1)	(345,811)	982,818	1,856,415	1,386,672	1,427,255	2,610,087	2,610,087	1,978,523	2,208,690	2,387,632
Service charge rev % change - macro CPI target exclusive	18(1)a,(2)	N.A.	1.1%	6.3%	8.3%	(5.5%)	(6.7%)	(6.0%)	6.0%	5.0%	4.9%
Cash receipts % of Ratepayer & Other revenue	18(1)a,(2)	88.8%	90.8%	87.3%	90.9%	90.9%	90.1%	90.1%	88.3%	94.2%	94.2%
Debt impairment expense as a % of total billable revenue	18(1)a,(2)	9.4%	5.4%	7.3%	5.8%	5.8%	5.8%	5.8%	6.1%	5.7%	5.6%
Capital payments % of capital expenditure	18(1)c;19	100.0%	100.0%	100.1%	100.0%	100.0%	104.7%	104.7%	100.0%	100.0%	100.0%
Borrowing receipts % of capital expenditure (excl. transfers)	18(1)c	109.8%	63.4%	73.3%	61.5%	62.2%	69.8%	69.8%	40.3%	65.7%	60.8%
Grants % of Govt. legislated/gazetted allocations	18(1)a								98.7%	99.9%	103.7%
Current consumer debtors % change - incr(decr)	18(1)a	N.A.	21.4%	24.9%	(37.6%)	0.0%	57.0%	0.0%	58.5%	1.7%	0.9%
Long term receivables % change - incr(decr)	18(1)a	N.A.	(5.3%)	5.0%	(1.2%)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
R&M % of Property Plant & Equipment	20(1)(vi)	4.1%	2.7%	3.1%	4.7%	5.0%	5.4%	6.2%	5.9%	6.1%	6.2%
Asset renewal % of capital budget	20(1)(vi)	52.6%	46.7%	45.3%	43.4%	40.0%	40.0%	0.0%	44.1%	36.9%	35.8%

EKURHULENI METROPOLITAN MUNICIPALITY – FINAL BUDGET 2015/16 TO 2017/18

EKU Ekurhuleni Metro Supporting Table SA10 Funding measurement											
Description	MFMA section	2011/12	2012/13	2013/14	Current Year 2014/15				2015/16 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
Supporting indicators											
% incr total service charges (incl prop rates)	18(1)a		7.1%	12.3%	14.3%	0.5%	(0.7%)	0.0%	12.0%	11.0%	10.9%
% incr Property Tax	18(1)a		8.7%	22.9%	17.0%	0.0%	(0.6%)	0.0%	6.9%	10.0%	10.9%
% incr Service charges - electricity revenue	18(1)a		6.7%	6.9%	13.1%	0.0%	(1.7%)	0.0%	12.2%	11.8%	11.8%
% incr Service charges - water revenue	18(1)a		4.7%	19.9%	11.3%	0.0%	3.9%	0.0%	19.9%	10.0%	9.0%
% incr Service charges - sanitation revenue	18(1)a		4.1%	20.1%	11.2%	7.4%	(0.0%)	0.0%	11.3%	9.2%	8.7%
% incr Service charges - refuse revenue	18(1)a		16.6%	13.7%	27.9%	2.3%	(3.0%)	0.0%	8.3%	7.9%	7.9%
% incr in Service charges - other	18(1)a		13.1%	3.0%	15.4%	0.0%	(4.8%)	0.0%	10.0%	52.3%	5.7%
Total billable revenue	18(1)a	15,333,893	16,424,839	18,451,064	21,091,008	21,193,840	21,034,368	21,034,368	23,721,753	26,332,276	29,189,044
Service charges		15,284,666	16,375,240	18,395,359	21,025,063	21,127,894	20,976,410	20,976,410	23,653,695	26,258,775	29,109,663
Property rates		2,644,170	2,874,963	3,534,321	4,134,710	4,134,710	4,110,071	4,110,071	4,421,129	4,864,331	5,395,735
Service charges - electricity revenue		9,086,646	9,692,978	10,358,669	11,717,499	11,718,453	11,521,965	11,521,965	13,153,808	14,709,660	16,451,415
Service charges - water revenue		2,053,595	2,149,636	2,576,373	2,867,861	2,867,861	2,978,787	2,978,787	3,437,870	3,781,657	4,122,006
Service charges - sanitation revenue		715,985	745,454	895,456	995,311	1,068,510	1,068,510	1,068,510	1,189,748	1,298,922	1,412,268
Service charges - refuse removal		726,039	846,321	962,652	1,231,349	1,260,029	1,222,467	1,222,467	1,364,937	1,472,877	1,589,383
Service charges - other		58,232	65,887	67,889	78,333	78,333	74,611	74,611	86,204	131,328	138,856
Rental of facilities and equipment		49,227	49,600	55,705	65,945	65,945	57,958	57,958	68,058	73,501	79,380
Capital expenditure excluding capital grant funding		728,632	1,261,952	1,071,599	1,787,185	1,767,186	1,576,639	1,576,639	2,496,008	2,757,548	2,816,511
Cash receipts from ratepayers	18(1)a	14,289,572	15,664,592	16,903,809	21,272,093	21,376,654	21,034,815	21,034,815	23,133,486	27,294,068	30,171,257
Ratepayer & Other revenue	18(1)a	16,092,691	17,257,304	19,354,507	23,402,543	23,507,105	23,333,152	23,333,152	26,196,320	28,986,575	32,020,687
Change in consumer debtors (current and non-current)		950,560	716,003	1,009,225	(1,904,895)	(1,904,895)	(104,895)	(104,895)	1,847,891	86,098	46,939
Operating and Capital Grant Revenue	18(1)a	4,557,540	4,746,558	5,339,961	4,686,296	4,856,729	4,824,430	4,824,430	4,911,989	5,262,455	5,763,684
Capital expenditure - total	20(1)(vi)	2,001,014	2,370,437	2,612,301	3,790,366	3,810,950	3,620,402	3,620,402	4,471,563	4,958,028	5,182,445
Capital expenditure - renewal	20(1)(vi)	1,051,967	1,106,260	1,183,988	1,646,797	1,523,240	1,447,078		1,970,120	1,827,148	1,857,211

EKURHULENI METROPOLITAN MUNICIPALITY – FINAL BUDGET 2015/16 TO 2017/18

Eku Ekurhuleni Metro Supporting Table SA10 Funding measurement											
Description	MFMA section	2011/12	2012/13	2013/14	Current Year 2014/15				2015/16 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
Supporting benchmarks											
Growth guideline maximum		6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%
CPI guideline		4.3%	3.9%	4.6%	5.0%	5.0%	5.0%	5.0%	5.4%	5.6%	5.4%
DoRA operating grants total MFY									2,470,113	2,699,026	2,847,473
DoRA capital grants total MFY									2,120,898	2,206,197	2,327,538
Provincial operating grants									304,553	319,819	337,409
Provincial capital grants									83,000	45,000	47,475
District Municipality grants											
Total gazetted/advised national, provincial and district grants									4,978,564	5,270,042	5,559,894
Average annual collection rate (arrears inclusive)											
DoRA operating											
Local Government Equitable Share									2,181,182	2,385,328	2,640,836
Finance Management									1,050	1,050	1,050
Integrated City Development Grant & EPWP									56,903	41,627	45,577
USDG, MHSCG & PTIS - operating									337,019	320,173	380,808
									2,576,154	2,748,178	3,068,271
DoRA capital											
USDG									1,550,181	1,668,091	1,720,000
Public Transport and Systems									309,296	404,389	536,544
INEP & Electrification Demand Side Management									64,000	60,000	50,000
NDPG									20,000	60,000	53,390
									1,943,477	2,192,480	2,359,934

EKURHULENI METROPOLITAN MUNICIPALITY – FINAL BUDGET 2015/16 TO 2017/18

EKU Ekurhuleni Metro Supporting Table SA10 Funding measurement											
Description	MFMA section	2011/12	2012/13	2013/14	Current Year 2014/15				2015/16 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
<u>Trend</u>											
Change in consumer debtors (current and non-current)		950,560	716,003	1,009,225	(104,895)	1,847,891	86,098	46,939	-	-	-
<u>Total Operating Revenue</u>		19,532,362	21,134,921	23,548,607	26,310,701	26,607,068	26,491,062	26,491,062	29,454,839	32,399,173	35,800,166
<u>Total Operating Expenditure</u>		20,066,181	21,260,588	23,208,349	26,194,817	26,491,184	25,772,893	25,772,893	29,321,872	32,240,963	35,528,468
<u>Operating Performance Surplus/(Deficit)</u>		(533,819)	(125,667)	340,258	115,883	115,884	718,169	718,169	132,967	158,211	271,698
<u>Cash and Cash Equivalents (30 June 2012)</u>									4,685,187		
<u>Revenue</u>											
% Increase in Total Operating Revenue			8.2%	11.4%	11.7%	1.1%	(0.4%)	0.0%	10.7%	10.0%	10.5%
% Increase in Property Rates Revenue			8.2%	22.3%	17.4%	0.0%	(0.6%)	0.0%	7.0%	10.1%	11.0%
% Increase in Electricity Revenue			6.7%	6.9%	13.1%	0.0%	(1.7%)	0.0%	12.2%	11.8%	11.8%
% Increase in Property Rates & Services Charges			7.1%	12.3%	14.3%	0.5%	(0.7%)	0.0%	12.0%	11.0%	10.9%
<u>Expenditure</u>											
% Increase in Total Operating Expenditure			6.0%	9.2%	12.9%	1.1%	(2.7%)	0.0%	10.7%	10.0%	10.2%
% Increase in Employee Costs			20.9%	9.4%	0.3%	(2.0%)	(1.8%)	0.0%	11.4%	7.1%	5.9%
% Increase in Electricity Bulk Purchases			11.2%	5.7%	8.3%	(0.0%)	(2.0%)	0.0%	14.2%	14.0%	14.0%
Average Cost Per Budgeted Employee Position (Remuneration)				317501.6286	281968.6107				280396.3679		
Average Cost Per Councillor (Remuneration)				466045.8754	504547.3861				538856.6782		
R&M % of PPE		4.1%	2.7%	3.1%	4.7%	5.0%	5.4%		5.9%	6.1%	6.2%
Asset Renewal and R&M as a % of PPE		7.0%	5.0%	6.0%	8.0%	8.0%	9.0%		10.0%	10.0%	10.0%
Debt Impairment % of Total Billable Revenue		9.4%	5.4%	7.3%	5.8%	5.8%	5.8%	5.8%	6.1%	5.7%	5.6%

EKURHULENI METROPOLITAN MUNICIPALITY – FINAL BUDGET 2015/16 TO 2017/18

EKU Ekurhuleni Metro Supporting Table SA10 Funding measurement											
Description	MFMA section	2011/12	2012/13	2013/14	Current Year 2014/15				2015/16 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
<u>Capital Revenue</u>											
Internally Funded & Other (R'000)		253,132	296,694	233,482	553,075	521,154	495,096	495,096	1,489,353	945,248	1,104,911
Borrowing (R'000)		475,500	965,258	838,118	1,234,110	1,246,032	1,081,543	1,081,543	1,006,655	1,812,300	1,711,600
Grant Funding and Other (R'000)		1,272,382	1,108,485	1,540,702	2,003,181	2,043,763	2,043,763	2,043,763	1,975,556	2,200,480	2,365,934
Internally Generated funds % of Non Grant Funding		34.7%	23.5%	21.8%	30.9%	29.5%	31.4%	31.4%	59.7%	34.3%	39.2%
Borrowing % of Non Grant Funding		65.3%	76.5%	78.2%	69.1%	70.5%	68.6%	68.6%	40.3%	65.7%	60.8%
Grant Funding % of Total Funding		63.6%	46.8%	59.0%	52.8%	53.6%	56.5%	56.5%	44.2%	44.4%	45.7%
<u>Capital Expenditure</u>											
Total Capital Programme (R'000)		2,001,014	2,370,437	2,612,301	3,790,366	3,810,950	3,620,402	3,620,402	4,471,563	4,958,028	5,182,445
Asset Renewal		1,051,967	1,106,260	1,183,988	1,646,797	1,523,240	1,447,078	1,447,078	1,970,120	1,827,148	1,857,211
Asset Renewal % of Total Capital Expenditure		52.6%	46.7%	45.3%	43.4%	40.0%	40.0%	40.0%	44.1%	36.9%	35.8%
<u>Cash</u>											
Cash Receipts % of Rate Payer & Other		88.8%	90.8%	87.3%	90.9%	90.9%	90.1%	90.1%	88.3%	94.2%	94.2%
Cash Coverage Ratio		0	0	0	0	0	0	0	0	0	0
<u>Borrowing</u>											
Credit Rating (2009/10)									Aa3.za		
Capital Charges to Operating		3.1%	3.3%	5.2%	3.5%	3.4%	3.2%	3.2%	3.5%	3.6%	3.6%
Borrowing Receipts % of Capital Expenditure		109.8%	63.4%	73.3%	61.5%	62.2%	69.8%	69.8%	40.3%	65.7%	60.8%
<u>Reserves</u>											
Surplus/(Deficit)		1,350,144	1,479,511	2,980,049	1,719,650	1,740,929	2,373,851	2,509,810	2,370,682	3,185,887	3,912,701

EKURHULENI METROPOLITAN MUNICIPALITY – FINAL BUDGET 2015/16 TO 2017/18

EKU Ekurhuleni Metro Supporting Table SA10 Funding measurement											
Description	MFMA section	2011/12	2012/13	2013/14	Current Year 2014/15				2015/16 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
Free Services											
Free Basic Services as a % of Equitable Share		2.3%	2.3%	27.0%	29.4%	29.4%	29.4%		81.3%	82.5%	82.2%
Free Services as a % of Operating Revenue (excl operational transfers)		6.8%	10.3%	10.8%	9.9%	9.8%	9.5%		9.5%	9.6%	9.6%
High Level Outcome of Funding Compliance											
Total Operating Revenue		19,532,362	21,134,921	23,548,607	26,310,701	26,607,068	26,491,062	26,491,062	29,454,839	32,399,173	35,800,166
Total Operating Expenditure		20,066,181	21,260,588	23,208,349	26,194,817	26,491,184	25,772,893	25,772,893	29,321,872	32,240,963	35,528,468
Surplus/(Deficit) Budgeted Operating Statement		(533,819)	(125,667)	340,258	115,883	115,884	718,169	718,169	132,967	158,211	271,698
Surplus/(Deficit) Considering Reserves and Cash Backing		816,325	1,353,844	3,320,307	1,835,533	1,856,813	3,092,020	3,227,979	2,503,649	3,344,098	4,184,399
MTREF Funded (1) / Unfunded (0)		1	1	1	1	1	1	1	1	1	1
MTREF Funded ü / Unfunded ü		✓	✓	✓	✓	✓	✓	✓	✓	✓	✓

2.6.5.1 *Cash/cash equivalent position*

The metro's forecast cash position was discussed as part of the budgeted cash flow statement. A 'positive' cash position, for each year of the MTREF, would generally be a minimum requirement, subject to the planned application of these funds such as cash-backing of reserves and working capital requirements.

If the municipality's forecast cash position is negative, for any year of the Medium-term budget, the budget is very unlikely to meet MFMA requirements or be sustainable and could indicate a risk of non-compliance with Section 45 of the MFMA, which deals with the repayment of short-term debt at the end of the financial year. The forecasted cash and cash equivalents for the MTREF shows R5.1 billion, R5.3 billion and R6.3 billion for each respective MTREF financial years.

2.6.5.2 *Cash plus investments less application of funds*

The purpose of this measure is to understand how the municipality has applied the available cash and investments as identified in the budgeted cash flow statement. The detailed reconciliation of the cash-backed reserves/surpluses is contained in Table 28, on page 76. The reconciliation is intended to be a relatively simple methodology for understanding the budgeted amount of cash and investments available with any planned or required applications to be made. This has been extensively discussed above.

2.6.5.3 *Monthly average payments covered by cash or cash equivalents*

The purpose of this measure is to understand the level of financial risk should the municipality be under stress from a collection and cash inflow perspective. Regardless of the annual cash position an evaluation should be made of the ability of the metro to meet monthly payments as and when they fall due. It is especially important to consider the position should the municipality be faced with an unexpected disaster that threatens revenue collection such as rate boycotts. During the MTREF the municipality's improving cash position causes the ratio remains 2.6 over the MTREF period. This measure will have to be carefully monitored going forward.

2.6.5.4 *Surplus/deficit excluding depreciation offsets*

The main purpose of this measure is to understand if the revenue levels are sufficient to conclude that the community is making a sufficient contribution for the municipal resources consumed each year. An 'adjusted' surplus/deficit is achieved by offsetting the amount of depreciation related to externally funded assets. Municipalities need to assess the result of this calculation taking into consideration its own circumstances and levels of backlogs. If the outcome is a deficit, it may indicate that rates and service charges are insufficient to ensure that the community is making a sufficient contribution toward the economic benefits they are consuming over the medium-term. For the MTREF the indicative outcome is a surplus of R2.0 billion, R2.2 billion and R2.4 billion.

It needs to be noted that a surplus does not necessarily mean that the budget is funded from a cash flow perspective and the first two measures in the table are therefore critical.

2.6.5.5 *Cash receipts as a percentage of ratepayer and other revenue*

This factor is a macro measure of the rate at which funds are 'collected'. This measure is intended to analyse the underlying assumed collection rate for the

MTREF to determine the relevance and credibility of the budget assumptions contained in the budget. It can be seen that the outcome is expected to be at 88.3%, 94.2% and 94.2% for each of the respective financial years. This measure and performance objective will have to be meticulously managed.

A 93% collection target has been set for the metro.

2.6.5.6 Debt impairment expense as a percentage of billable revenue

This factor measures whether the provision for debt impairment is being adequately funded and is based on the underlying assumption that the provision for debt impairment (doubtful and bad debts) has to be increased to offset under-collection of billed revenues. The provision has been appropriated at 7% over the MTREF. Considering the debt incentive scheme and the municipality's revenue management strategy's objective to collect outstanding debtors of 90 days, the provision is well within the accepted leading practice.

2.6.5.7 Capital payments percentage of capital expenditure

The purpose of this measure is to determine whether the timing of payments has been taken into consideration when forecasting the cash position. It should be noted that a timing discount may have an influence on the cash position forecasted over financial years. The municipality aims to keep this as low as possible through strict compliance with the legislative requirement that debtors be paid within 30 days.

2.6.5.8 Borrowing as a percentage of capital expenditure (excluding transfers, grants and contributions)

The purpose of this measurement is to determine the proportion of a municipality's 'own-funded' capital expenditure budget that is being funded from borrowed funds to confirm MFMA compliance. Externally funded expenditure (by transfers/grants and contributions) has been excluded. It can be seen that borrowing equates to 55.1%, 49.0% and 60.4% of own funded capital over the MTREF.

2.6.5.9 Transfers/grants revenue as a percentage of government transfers/grants available

The purpose of this measurement is mainly to ensure that all available transfers from national and provincial government have been budgeted for. A percentage less than 100% could indicate that not all grants as contained in the Division of Revenue Act have been budgeted for. The metro has budgeted for all transfers.

2.6.5.10 Consumer debtors change (current and non-current)

The purpose of these measures is to ascertain whether budgeted reductions in outstanding debtors are realistic. There are two measures shown for this factor, the change in current debtors and the change in long-term receivables, both from the Budgeted Financial Position. The current consumer debtors' ratio decreases over the MTREF to 0.9% in 2017/18. The long-term receivables' ratio is expected to be constant at 0% over the MTREF period.

2.6.5.11 Repairs and maintenance expenditure level

This measure must be considered important within the context of the funding measures criteria because a trend that indicates insufficient funds are being committed to asset repair could also indicate that the overall budget is not credible and/or sustainable in the medium- to long-term because the revenue budget is not

being protected. Details of the metro's strategy pertaining to asset management and repairs and maintenance are contained in Table 95 MBRR SA34c - repairs and maintenance expenditure by asset class on page 357.

2.6.5.12 Asset renewal/rehabilitation expenditure level

This measure has a similar objective to aforementioned objective relating to repairs and maintenance. A requirement of the detailed Capital Budget is to categorise each capital project as a new asset or a renewal/rehabilitation project. The objective is to summarise and understand the proportion of budgets being provided for new assets and also asset sustainability. A declining or low level of renewal funding may indicate that a budget is not credible and/or sustainable and future revenue is not being protected, similar to the justification for 'repairs and maintenance' budgets. Further details in this regard are contained in Table 94 MBRR SA34b on page 356.

2.7 Expenditure on grants and reconciliations of unspent funds

Table 48 MBRR SA19 - Expenditure on transfers and grant programmes

EKU Ekurhuleni Metro - Supporting Table SA19 Expenditure on transfers and grant programme									
Description	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
R thousand	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
EXPENDITURE:									
Operating expenditure of Transfers and Grants									
National Government:	2,957,350	3,399,015	2,148,094	2,397,871	2,481,794	2,481,794	2,576,154	2,748,178	3,068,271
Local Government Equitable Share	1,644,128	1,825,341	1,917,953	2,042,951	2,042,951	2,042,951	2,181,182	2,385,328	2,640,836
Finance Management	1,250	1,250	1,250	1,250	1,250	1,250	1,050	1,050	1,050
Public Transport and Systems	–	2,445	9,826	20,000	10,000	10,000	30,000	40,000	40,000
Integrated City Development Grant	–	–	751	40,323	48,380	48,380	43,194	41,627	45,577
EPWP Operational	–	7,065	11,007	6,422	6,422	6,422	13,709		
Water Services Operating Subsidy									
Other transfers/grants [insert description]	1,311,972	1,562,914	207,308	286,925	372,791	372,791	307,019	280,173	340,808
Provincial Government:	324,976	238,791	269,346	285,244	331,172	337,718	360,279	313,797	329,479
Health subsidy	79,897	85,882	106,493	111,952	111,952	111,952	117,885	124,133	130,340
Ambulance subsidy	163,184	119,220	129,001	136,040	136,040	136,040	143,250	150,842	158,384
SETA	23,539	18,680	3,291	22,388	22,388	22,388	23,821	23,821	25,132
Other transfers/grants [insert description]	58,356	15,009	30,561	14,864	60,791	67,338	75,323	15,001	15,623
District Municipality:	–	–	–	–	–	–	–	–	–
Other grant providers:	2,832	268	268	–	–	–	–	–	–
Public Contributions	2,832	268	268						
Total operating expenditure of Transfers and Grants:	3,285,158	3,638,073	2,417,708	2,683,115	2,812,966	2,819,512	2,936,434	3,061,976	3,397,750

EKU Ekurhuleni Metro - Supporting Table SA19 Expenditure on transfers and grant programme									
Description	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
R thousand	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
Capital expenditure of Transfers and Grants									
National Government:	1,225,229	1,074,311	1,495,287	1,920,981	2,033,437	2,033,437	1,943,477	2,192,480	2,359,934
MIG/USDG	1,044,276	944,707	1,267,760	1,569,981	1,664,713	1,664,713	1,550,181	1,668,091	1,720,000
Public Transport and Systems	34,408	38,387	198,255	230,000	290,224	290,224	309,296	404,389	536,544
INEP	99,083	72,808	5,005	61,000	61,000	61,000	50,000	40,000	30,000
Electrification Demand Side Management	47,114	11,842	16,267	10,000	17,500	17,500	14,000	20,000	20,000
Other capital transfers/grants [insert desc]	348	6,568	8,000	50,000	-	-	20,000	60,000	53,390
Provincial Government:	31,156	34,174	19,156	76,700	5,826	5,826	32,079	8,000	6,000
Other capital transfers/grants [insert description]	31,156	34,174	19,156	76,700	5,826	5,826	32,079	8,000	6,000
District Municipality:	-	-	-	-	-	-	-	-	-
Other grant providers:	15,955	-	26,259	5,500	4,500	4,500	-	-	-
Public Contributions	11,799	-	26,259	5,500	4,500	4,500	-	-	-
Foreign Grants	4,156	-	-	-	-	-	-	-	-
Total capital expenditure of Transfers and Grants	1,272,341	1,108,485	1,540,702	2,003,181	2,043,763	2,043,763	1,975,556	2,200,480	2,365,934
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS	4,557,499	4,746,558	3,958,410	4,686,296	4,856,729	4,863,275	4,911,989	5,262,455	5,763,684

Table 49 MBRR SA 20 - Reconciliation between transfers, grant receipts and unspent funds

EKU Ekurhuleni Metro - Supporting Table SA20 Reconciliation of transfers, grant receipts and unspent funds									
Description	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
R thousand	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
Operating transfers and grants:									
National Government:									
Balance unspent at beginning of the year	3,163	2,513	34,380		54,767	54,767			
Current year receipts	2,956,700	3,430,882	2,168,482	2,397,871	2,427,027	2,427,027	2,576,154	2,748,178	3,068,271
Conditions met - transferred to revenue	2,957,350	3,399,015	2,148,094	2,397,871	2,481,794	2,481,794	2,576,154	2,748,178	3,068,271
Conditions still to be met - transferred to liabilities	2,513	34,380	54,767						
Provincial Government:									
Balance unspent at beginning of the year	8,352	48,770	65,827		125,766	125,766			
Current year receipts	365,394	255,847	329,286	285,244	205,405	211,952	360,279	313,797	329,479
Conditions met - transferred to revenue	324,976	238,791	269,346	285,244	331,172	337,718	360,279	313,797	329,479
Conditions still to be met - transferred to liabilities	48,770	65,827	125,766						
Other grant providers:									
Balance unspent at beginning of the year	3,100	268	268						
Current year receipts									
Conditions met - transferred to revenue	2,832	268	268	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities	268								
Total operating transfers and grants revenue	3,285,158	3,638,073	2,417,708	2,683,115	2,812,966	2,819,512	2,936,434	3,061,976	3,397,750
Total operating transfers and grants - CTBM	51,551	100,207	180,534	-	-	-	-	-	-
Capital transfers and grants:									
National Government:									
Balance unspent at beginning of the year	34,561	6,175	53,025		184,825	184,825			
Current year receipts	1,186,773	1,121,161	1,627,087	1,920,981	1,848,611	1,848,611	1,943,477	2,192,480	2,359,934
Conditions met - transferred to revenue	1,215,159	1,074,311	1,495,287	1,920,981	2,033,437	2,033,437	1,943,477	2,192,480	2,359,934
Conditions still to be met - transferred to liabilities	6,175	53,025	184,825						
Provincial Government:									
Balance unspent at beginning of the year	81,260	40,105	77,330		5,243	5,243			
Current year receipts	2,618	71,399	(52,931)	76,700	583	583	32,079	8,000	6,000
Conditions met - transferred to revenue	43,773	34,174	19,156	76,700	5,826	5,826	32,079	8,000	6,000
Conditions still to be met - transferred to liabilities	40,105	77,330	5,243						
Other grant providers:									
Balance unspent at beginning of the year	3,445	1,845	1,845						
Current year receipts	11,850		24,415	5,500	4,500	4,500	-	-	-
Conditions met - transferred to revenue	13,451	-	26,259	5,500	4,500	4,500	-	-	-
Conditions still to be met - transferred to liabilities	1,845	1,845	-						
Total capital transfers and grants revenue	1,272,383	1,108,485	1,540,702	2,003,181	2,043,763	2,043,763	1,975,556	2,200,480	2,365,934
Total capital transfers and grants - CTBM	48,125	132,200	190,069	-	-	-	-	-	-
TOTAL TRANSFERS AND GRANTS REVENUE	4,557,540	4,746,558	3,958,410	4,686,296	4,856,729	4,863,275	4,911,989	5,262,455	5,763,684
TOTAL TRANSFERS AND GRANTS - CTBM	99,676	232,407	370,603	-	-	-	-	-	-

2.8 Councillor and employee benefits

Table 50 MBRR SA22 - Summary of councillor and staff benefits

Eku Ekurhuleni Metro - Supporting Table SA22 Summary councillor and staff benefits									
Summary of Employee and Councillor remuneration	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
R thousand	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
	A	B	C	D	E	F	G	H	I
<u>Councillors (Political Office Bearers plus Other)</u>									
Basic Salaries and Wages	49,830	49,940	50,089	53,883	53,883	51,980	55,607	59,221	62,775
Pension and UIF Contributions	7,104	7,449	7,366	8,082	8,082	7,646	8,072	8,597	9,113
Medical Aid Contributions	2,095	2,161	2,105	2,405	2,405	2,257	2,673	2,847	3,018
Motor Vehicle Allowance	7,700	9,805	10,459	11,243	11,243	11,605	11,382	12,121	12,849
Cellphone Allowance	–	2,435	3,339	3,059	3,059	4,594	4,856	5,172	5,482
Housing Allowances	12,677	16,163	20,783	23,246	23,246	23,837	26,259	27,966	29,644
Other benefits and allowances	–	–	–	–	–	–	–	–	–
Sub Total - Councillors	79,406	87,955	94,141	101,919	101,919	101,919	108,849	115,924	122,880
% increase		10.8%	7.0%	8.3%	–	(0.0%)	6.8%	6.5%	6.0%
<u>Senior Managers of the Municipality</u>									
Basic Salaries and Wages	33,998	–	43,760	44,260	44,260	44,260	46,286	49,344	53,292
Pension and UIF Contributions	–	–	–	–	–	–	–	–	–
Medical Aid Contributions	–	–	–	–	–	–	–	–	–
Overtime	–	–	–	–	–	–	–	–	–
Performance Bonus	–	–	4,558	4,708	4,708	4,708	6,289	6,729	7,267
Motor Vehicle Allowance	–	–	–	–	–	–	–	–	–
Cellphone Allowance	–	–	–	–	–	–	–	–	–
Housing Allowances	–	–	–	–	–	–	–	–	–
Other benefits and allowances	445	–	1,823	1,878	1,878	1,878	2,557	2,736	2,955
Payments in lieu of leave	–	–	–	–	–	–	–	–	–
Long service awards	–	–	–	–	–	–	–	–	–
Post-retirement benefit obligations	–	–	–	–	–	–	–	–	–
Sub Total - Senior Managers of Municipality	34,444	–	50,142	50,847	50,847	50,847	55,132	58,809	63,514
% increase		(100.0%)	–	1.4%	–	–	8.4%	6.7%	8.0%
<u>Other Municipal Staff</u>									
Basic Salaries and Wages	2,395,505	3,132,609	3,660,016	3,452,178	3,354,667	2,989,010	3,836,939	4,120,521	4,361,477
Pension and UIF Contributions	620,615	658,631	669,968	751,135	740,942	755,546	809,409	862,021	913,742
Medical Aid Contributions	238,589	250,279	520,717	304,317	304,317	356,107	283,215	301,624	319,721
Overtime	393,765	471,338	471,338	361,678	361,678	524,509	386,723	411,860	436,571
Performance Bonus	–	–	–	–	–	–	–	–	–
Motor Vehicle Allowance	–	–	–	175,855	175,855	215,601	225,015	239,641	254,019
Cellphone Allowance	10,955	13,589	13,589	12,166	12,166	17,708	15,671	16,690	17,692
Housing Allowances	–	–	–	47,712	47,712	44,444	56,355	60,018	63,619
Other benefits and allowances	42,195	11,024	–	32,538	32,538	32,538	32,287	34,386	36,449
Payments in lieu of leave	89,398	112,943	–	160,812	160,812	160,812	151,157	160,982	170,641
Long service awards	61,569	46,364	46,364	17,376	17,376	17,376	18,557	19,764	20,949
Post-retirement benefit obligations	222,497	270,751	–	80,174	80,174	80,174	77,026	82,033	86,955
Sub Total - Other Municipal Staff	4,075,089	4,967,529	5,381,993	5,395,941	5,288,237	5,193,824	5,892,355	6,309,540	6,681,836
% increase		21.9%	8.3%	0.3%	(2.0%)	(1.8%)	13.4%	7.1%	5.9%
Total Parent Municipality	4,188,939	5,055,483	5,526,276	5,548,707	5,441,002	5,346,590	6,056,336	6,484,273	6,868,230

EKURHULENI METROPOLITAN MUNICIPALITY – FINAL BUDGET 2015/16 TO 2017/18

EKU Ekurhuleni Metro - Supporting Table SA22 Summary councillor and staff benefits									
Summary of Employee and Councillor remuneration R thousand	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
<u>Board Members of Entities</u>									
Basic Salaries and Wages	4,223,382			5,599,553					
Pension and UIF Contributions									
Medical Aid Contributions									
Overtime									
Performance Bonus									
Motor Vehicle Allowance		120							
Cellphone Allowance									
Housing Allowances									
Other benefits and allowances									
Board Fees	3,039	2,960	3,310	3,868	3,868	3,644	3,890	4,130	4,394
Payments in lieu of leave									
Long service awards									
Post-retirement benefit obligations									
Sub Total - Board Members of Entities	4,226,421	3,081	3,310	5,603,421	3,868	3,644	3,890	4,130	4,394
% increase		(99.9%)	7.4%	169,185.2%	(99.9%)	(5.8%)	6.8%	6.2%	6.4%
<u>Senior Managers of Entities</u>									
Basic Salaries and Wages	7,239	6,291	10,456	9,178	9,178	9,178	9,942	10,770	11,578
Pension and UIF Contributions	1,441	1,906	1,851	2,142	2,142	2,142	2,316	2,505	2,700
Medical Aid Contributions	316	-	-	-	-	-	-	-	-
Overtime									
Performance Bonus	559				500	500			
Motor Vehicle Allowance	853	927	761	967	967	967	1,051	1,142	1,230
Cellphone Allowance	19	19	19	29	29	29	29	29	29
Housing Allowances									
Other benefits and allowances	160	671	1,097	195	195	195	213	233	256
Payments in lieu of leave									
Long service awards									
Post-retirement benefit obligations									
Sub Total - Senior Managers of Entities	10,588	9,814	14,183	12,511	13,011	13,011	13,551	14,679	15,792
% increase		(7.3%)	44.5%	(11.8%)	4.0%	-	4.2%	8.3%	7.6%
<u>Other Staff of Entities</u>									
Basic Salaries and Wages	77,048	96,290	104,286	147,347	147,347	138,371	155,253	162,527	173,045
Pension and UIF Contributions	26,219	34,399	35,993	48,457	48,457	38,407	45,523	49,646	52,838
Medical Aid Contributions	207	250	279	1,385	615	615	1,504	1,591	1,701
Overtime	6,878	8,996	10,792	11,751	11,751	11,117	15,657	17,146	18,433
Performance Bonus	-	6,643	6,758	11,000	11,000	10,093	10,991	12,232	13,060
Motor Vehicle Allowance	3,395	4,388	4,238	4,321	4,321	4,789	3,766	3,958	5,216
Cellphone Allowance	22	22	27	27	27	27	27	30	30
Housing Allowances	-	892	1,020	1,535	1,535	1,443	1,786	1,926	2,068
Other benefits and allowances	11,459	795	676	519	519	519	974	662	796
Payments in lieu of leave	-	13,417	18,618	18,289	18,289	18,581	26,717	28,690	29,235
Long service awards									
Post-retirement benefit obligations									
Sub Total - Other Staff of Entities	125,227	166,093	182,687	244,631	243,861	223,961	262,199	278,407	296,421
% increase		32.6%	10.0%	33.9%	(0.3%)	(8.2%)	17.1%	6.2%	6.5%
Total Municipal Entities	4,362,236	178,987	200,180	5,860,562	260,739	240,615	279,640	297,216	316,606
TOTAL SALARY, ALLOWANCES & BENEFITS	8,551,175	5,234,470	5,726,456	11,409,269	5,701,742	5,587,205	6,335,976	6,781,489	7,184,836
% increase		(38.8%)	9.4%	99.2%	(50.0%)	(2.0%)	13.4%	7.0%	5.9%
TOTAL MANAGERS AND STAFF	4,245,347	5,143,435	5,629,005	5,703,929	5,595,955	5,481,642	6,223,237	6,661,435	7,057,563

Provision is made for a 6.8% increase in councillor remuneration.

The councillor allowances reflected in Annexure B amounts to R108.8 m.

In reconciling the total employee-related costs with the budget provided the following details are provided:

Table 51 Total employees related costs.

FINANCIAL PERIOD	F00 R'000	F00 R'000	F00 R'000	F01 R'000	%	%	%	F02 R'000	F03 R'000
	ADJ BUDGET	YEAR TO DATE	PROJECTED	2015/16	B to B	P to B	Of Total	2016/17	2017/18
EXPENDITURE									
Employee Related Costs - Salaries & Wages	4,514,802	3,098,301	4,345,598	5,128,820	13.60%	18.02%	17.22%	5,506,543	5,841,136
Employee Related Costs - Overtime	363,004	373,961	524,509	386,723	6.53%	-26.27%	1.30%	411,860	436,571
Employee Related Costs - Additional Positions	195,221	–	–	155,000	-20.60%	100.00%	0.52%	155,000	155,000
Employee Related Costs - Social Contributions	1,157,972	798,955	1,111,653	1,201,937	3.80%	8.12%	4.04%	1,280,063	1,356,867
Less: Employee Related Costs - Salaries Capitalised	(159,043)	–	(50,000)	(151,043)	-5.03%	202.09%	-0.51%	(160,861)	(170,512)
Less :Employee Related Costs - Salaries to R and M Internal	(725,395)	(515,316)	(687,089)	(773,950)	6.69%	12.64%	-2.60%	(824,257)	(873,712)
Remuneration of Councillors	101,919	70,745	101,919	108,849	6.80%	6.80%	0.37%	115,924	122,880
Sub-Total: REMUNERATION	5,448,480	3,826,647	5,346,589	6,056,336	11.16%	13.27%	20.33%	6,484,273	6,868,230

Table 52 MBRR SA23 - Salaries, allowances and benefits (political office bearers/councillors/senior managers)

EKU Ekurhuleni Metro - Supporting Table SA23 Salaries, allowances & benefits (political office bearers/councillors/senior managers)								
Disclosure of Salaries, Allowances & Benefits 1.	Ref	No.	Salary	Contributions	Allowances	Performance Bonuses	In-kind benefits	Total Package
Rand per annum				1.				2.
Councillors	3							
Speaker	4	1	504,971	97,694	476,035			1,078,700
Chief Whip		1	655,897	120,334	214,608			990,839
Executive Mayor		1	592,797	110,869	630,891			1,334,557
Deputy Executive Mayor								
Executive Committee		10	4,617,356	867,131	3,696,251			9,180,738
Total for all other councillors		189	49,235,980	9,549,246	37,478,972			96,264,198
Total Councillors	8	202	55,607,001	10,745,274	42,496,757			108,849,032
Senior Managers of the Municipality	7							
Municipal Manager (MM)		1	2,711,385	97,944	51,600			2,860,929
Chief Finance Officer		1	2,627,791	-	39,200			2,666,991
Chief Operating Officer		1	2,417,984	70,214	43,200			2,531,398
Chief of Police (Vacant)		1	1,663,522	-	43,200			1,706,722
Chief Audit Executive		1	1,624,129	91,584	43,200			1,758,913
Chief Risk Officer		1	1,454,729	-	43,200			1,497,929
Chief Information Officer		1	2,826,751	114,480	43,200			2,984,431
<i>List of each official with packages >= senior manager</i>								
HEAD OF DEPARTMENT: CORPORATE LEGAL SERVICES		1	1,683,429	217,168	43,200			1,943,797
HEAD OF DEPARTMENT: DISASTER AND EMERGENCY MANAGEMENT		1	1,862,931	-	43,200			1,906,131
HEAD OF DEPARTMENT: HUMAN RESOURCES		1	1,784,614	148,625	43,200			1,976,439
HEAD OF DEPARTMENT: HUMAN SETTLEMENT		1	1,959,781	-	43,200			2,002,981
HEAD OF DEPARTMENT: TRANSPORT		1	1,745,117	90,196	43,200			1,878,513
HEAD OF DEPARTMENT:ENERGY		1	2,096,464	-	43,200			2,139,664
HEAD OF DEPARTMENT:EXECUTIVE SUPPORT		1	1,452,162	-	39,200			1,491,362
HEAD OF DEPARTMENT: ECONOMIC DEVELOPMENT		1	1,702,798	159,928	43,200			1,905,926
HEAD OF DEPARTMENT:HEALTH AND SOCIAL DEVELOPMENT		1	1,627,786	90,196	43,200			1,761,182
HEAD OF DEPARTMENT: CITY PLANNING		1	1,714,382	-	39,600			1,753,982
HEAD OF DEPARTMENT: SPORT, RECREATION, ARTS AND CULTURE		1	1,576,918	-	39,200			1,616,118
HEAD OF DEPARTMENT: FLEET MANAGEMENT		1	1,537,007	177,376	39,600			1,753,983
HEAD OF DEPARTMENT: FACILITIES MANAGEMENT & REAL ESTATE		1	1,776,718	-	43,200			1,819,918
HEAD OF DEPARTMENT: CUSTOMER RELATIONS MANAGEMENT		1	1,983,000	-	43,200			2,026,200
HEAD OF DEPARTMENT: ENVIRONMENTAL RESOURCE MANAGEMENT		1	1,552,650	148,480	39,600			1,740,730
HEAD OF DEPARTMENT: ROADS AND STORMWATER		1	1,629,862	217,153	39,600			1,886,615
HEAD OF DEPARTMENT: WATER AND SANITATION		1	2,203,837	-	43,200			2,247,037
HEAD OF DEPARTMENT: STRATEGY AND CORPORATE PLANNING		1	1,969,942	-	39,200			2,009,142
HEAD OF DEPARTMENT: COMMUNICATIONS AND BRAND MANAGEMENT		1	1,717,982	-	43,200			1,761,182
HEAD OF DEPARTMENT: ENTERPRISE PROJECT MANAGEMENT		1	1,837,735	-	43,200			1,880,935
HEAD OF DEPARTMENT: WASTE MANAGEMENT		1	1,580,518	-	43,200			1,623,718
Total Senior Managers of the Municipality	8,10	28	52,321,923	1,623,344	1,187,600	-		55,132,867
A Heading for Each Entity	6,7							
List each member of board by designation								
Total for municipal entities	8,10	-	-	-	-	-		-
TOTAL COST OF COUNCILLOR, DIRECTOR and EXECUTIVE REMUNERATION	10	230	107,928,924	12,368,618	43,684,357	-		163,981,899

Table 53 MBRR SA24 – Summary of personnel numbers

Eku Ekurhuleni Metro - Supporting Table SA24 Summary of personnel numbers									
Summary of Personnel Numbers Number	2013/14			Current Year 2014/15			Budget Year 2015/16		
	Positions	Permanent employees	Contract employees	Positions	Permanent employees	Contract employees	Positions	Permanent employees	Contract employees
Municipal Council and Boards of Municipal Entities									
Councillors (Political Office Bearers plus Other Councillors)	202	–	175	202	–	202	202	–	202
Board Members of municipal entities	13		11	13	–	13	13	–	13
Municipal employees									
Municipal Manager and Senior Managers	110	11	77	100	75	18	109	84	17
Other Managers	1,006	788	10	969		5	1,065	–	1,065
Professionals	1,632	1,479	267	1,847	1,745	109	1,997	1,887	111
Finance	161	161	–	156	156	–	171	171	–
Spatial/town planning	93	93	–	98	98	–	108	108	–
Information Technology	4	4	–	4	4	–	4	4	–
Roads	8	8	–	8	8	–	9	9	–
Electricity	33	33	–	33	33	–	36	36	–
Water	26	26	–	26	26	–	29	29	–
Sanitation	180	180	180	180	180	–	190	190	–
Refuse	–	–	–	–	–	–	–	–	–
Other	1,127	974	87	1,342	1,240	109	1,451	1,340	111
Technicians	1,400	1,235	–	1,404	1,382	22	1,544	1,520	24
Finance	110	91	–	19	19	–	21	21	–
Spatial/town planning	48	37	–	47	47	–	52	52	–
Information Technology	107	95	–	22	22	–	24	24	–
Roads	60	47	–	54	54	–	59	59	–
Electricity	125	105	–	154	154	–	169	169	–
Water	152	133	–	145	145	–	160	160	–
Sanitation	–	–	–	–	–	–	–	–	–
Refuse	48	43	–	18	18	–	20	20	–
Other	750	684	–	945	923	22	1,040	1,015	24
Clerks (Clerical and administrative)	3,550	3,134	11	3,871	3,786	85	4,258	4,165	94
Service and sales workers	3,241	2,950	–	3,775	3,706	69	4,153	4,077	76
Skilled agricultural and fishery workers	176	139	–	176	176	–	194	194	–
Craft and related trades	1,045	858	–	530	530	–	583	583	–
Plant and Machine Operators	1,433	1,278	–	1,944	1,939	5	2,138	2,133	6
Elementary Occupations	5,459	4,888	–	4,688	4,668	20	5,157	5,135	22
TOTAL PERSONNEL NUMBERS	19,267	16,760	551	19,519	18,007	548	21,413	19,777	1,630
% increase				1.3%	7.4%	(0.5%)	9.7%	9.8%	197.4%
Total municipal employees headcount									
Finance personnel headcount	1,024	1,243	5	1,314	1,203	62	1,024	1,243	5
Human Resources personnel headcount	215	256	4	256	256	4	282	282	4

In addition to the information supplied in Table SA24 the following summary of employees are provided:

Table 54 Number of non-structural positions in EMM

Non-structural positions																					
Row Labels		Call Centre Agent (Temp)	Experiential Training Students	Facilitator: Climate Survey Project	Internships	Jobs Programme	Leamership	MP Student	NGO Develop Tribunal	NGO Tender Committee	Non Council	NULL	Peace Volunteer	Pensioner	Relief Worker	Student: Field	Tariff Doctors	Tribunal Member	Urban Marshals	Volunteers	Grand Total
CHIEF OPERATING OFFICER: DELIVERY CO-ORDINATION			1																40		41
CITY MANAGER															1						1
CITY PLANNING			13		1																14
COMMUNICATION & BRANDING			5																		5
CORPORATE LEGAL			5												3						8
COUNCIL GENERAL			1												1						2
CUSTOMER RELATIONS MANAGEMENT			21									2									23
DISASTER AND EMERGENCY MANAGEMENT SERVICES			4		7		20								1						32
ECONOMIC DEVELOPMENT			10		2	616															628
EKURHULENI METRO POLICE DEPARTMENT								150					366							96	612
ENERGY			14				20														34
ENVIRONMENTAL RESOURCE MANAGEMENT			11				5														16
EXECUTIVE OFFICE															3						3
EXECUTIVE SUPPORT			1																		1
FINANCE			14		10		10			1	5			4	14						58
HEALTH AND SOCIAL DEVELOPMENT			9		6		30									4	15				64
HUMAN RESOURCE MANAGEMENT AND DEVELOPMENT			23	7	6		201								1						238
HUMAN SETTLEMENTS			11												2						13
INFORMATION AND COMMUNICATION TECHNOLOG	50		17												1						68
INTERNAL AUDIT			5																		5
LEGISLATURE									2						3			3			8
ROADS AND STORMWATER			24				40														64
SPORTS, RECREATION, ARTS AND CULTURE			10												25						35
STRATEGY & CORPORATE PLANNING			2												3	1					6
TRANSPORT PLANNING & PROVISIONING												2									2
WASTE MANAGEMENT															5						5
Grand Total		50	201	7	32	616	326	150	2	1	5	4	366	4	67	1	15	3	40	96	1986
All Other non-structural temps in the Metro																					
Designation	Department	Vote	No of Personnel																		
WARD COMMITTEE MEMBER	Ward Committee	1050252010075	358																		
WARD COMMITTEE MEMBER	Ward Committee	1050302010075	276																		
WARD COMMITTEE MEMBER	Ward Committee	1050352010075	396																		
COORDINATOR TRANSPORT	Transport	1330722566030	25																		
RODENT CONTROL	Environmental Health	1423105226275	381																		
RESERVIST	DEMS	1433102010125	429																		
TREE PLANTERS	Economic Development	1621752555075	153																		
LUNGILE MTSHALI	Customer Relations Management	1701002556450	3,044																		
FBE TEMPS	Finance	1521302555100	117																		
JOBS PROGRAMME	Economic Development	1621102555100	466																		
			5,645																		

Table 56 MBRR SA26 - Budgeted monthly revenue and expenditure (municipal vote)

EKU Ekurhuleni Metro - Supporting Table SA26 Budgeted monthly revenue and expenditure (municipal vote)																
Description	R thousand	Budget Year 2015/16										Medium Term Revenue and Expenditure Framework				
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
Revenue by Vote																
Vote 1 - Executive and Council	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 2 - Finance and Corporate Services	405,656	1,015,089	425,979	339,889	416,059	1,029,207	413,314	425,841	1,099,892	403,788	387,874	686,447	7,059,034	7,892,972	8,433,935	
Vote 3 - Energy	1,021,975	898,064	2,043,552	1,354,934	1,567,118	843,154	1,240,259	1,116,382	705,173	884,571	1,120,989	1,055,060	13,856,231	15,529,330	17,287,254	
Vote 4 - Water and Sanitation	719,052	308,223	348,198	361,533	396,061	356,796	336,141	299,568	206,392	518,245	517,162	1,671,074	6,038,444	6,595,704	7,390,960	
Vote 5 - Waste Management	291,883	94,683	105,957	108,999	108,160	285,617	98,559	101,164	219,488	107,210	120,429	113,756	1,755,906	1,899,894	2,060,969	
Vote 6 - Human Settlements	24,304	24,926	32,638	170,054	49,132	13,385	64,802	29,785	27,036	26,532	45,513	230,999	739,107	715,248	488,118	
Vote 7 - City Planning	6,919	6,060	5,289	7,242	7,107	4,963	3,548	8,537	4,023	4,187	5,859	17,937	81,672	82,926	89,906	
Vote 8 - Economic Development	2,358	2,335	2,684	2,585	2,719	2,595	2,435	2,076	2,043	2,151	2,193	10,908	37,062	25,216	27,113	
Vote 9 - Disaster and Emergency Management Services	1,422	20,136	58,120	1,369	20,854	29,720	2,115	1,261	1,729	1,261	24,055	31,950	193,993	201,524	200,435	
Vote 10 - Sport, Recreation, Arts & Culture (SRAC)	198	168	651	1,134	1,009	2,176	367	307	5,952	4,260	4,655	16,984	37,859	61,453	52,390	
Vote 11 - Health and Social Development	19,718	0	6,033	2,607	8,916	33,382	905	1,915	17,236	4,794	30,700	90,967	217,175	221,772	235,938	
Vote 12 - Environmental Resource Management	2,678	2,720	2,639	3,796	4,101	6,143	2,701	2,392	7,060	7,079	6,549	6,210	54,069	49,178	48,370	
Vote 13 - Ekurhuleni Metropolitan Police Department (EMPD)	5,431	11,647	9,577	10,693	10,755	5,820	10,549	6,587	14,322	10,807	7,921	14,650	118,760	125,587	129,273	
Vote 14 - Transport	29,255	83,541	28,338	72,571	155,179	14,388	2,018	141,454	80,407	21,489	174,917	112,087	915,643	1,100,165	1,280,586	
Vote 15 - Roads and Stormwater	176	347	1,482	27,682	25,706	35,885	2,975	2,710	6,913	8,766	8,086	74,732	195,440	148,683	190,852	
Total Revenue by Vote	2,531,027	2,467,939	3,076,137	2,465,049	2,772,876	2,663,230	2,180,685	2,139,981	2,397,666	2,005,141	2,456,903	4,143,760	31,300,394	34,449,653	37,916,100	
Expenditure by Vote to be appropriated																
Vote 1 - Executive and Council	15,204	17,434	16,633	18,282	18,717	20,447	22,943	23,906	24,508	22,609	27,112	91,048	318,842	336,661	354,282	
Vote 2 - Finance and Corporate Services	377,753	222,860	295,761	340,559	243,771	212,674	273,036	309,320	57,422	59,393	214,082	356,471	2,963,100	3,190,306	3,497,022	
Vote 3 - Energy	650,312	1,476,015	1,410,965	1,556,530	1,051,837	1,134,936	793,552	770,384	944,944	1,119,980	967,688	961,860	12,839,003	14,429,800	16,249,598	
Vote 4 - Water and Sanitation	307,025	373,202	467,886	400,690	376,958	389,983	393,620	362,378	426,620	340,350	409,689	652,379	4,900,781	5,317,963	5,823,102	
Vote 5 - Waste Management	48,931	76,056	149,211	103,504	133,690	107,433	106,757	117,569	165,726	109,805	131,627	268,763	1,518,870	1,605,612	1,724,373	
Vote 6 - Human Settlements	17,517	45,655	37,290	35,688	57,964	93,407	32,960	33,319	92,199	26,415	31,309	73,749	576,871	559,148	603,863	
Vote 7 - City Planning	17,341	18,052	17,381	17,289	17,718	17,104	17,298	19,528	16,969	17,051	19,314	50,503	245,550	256,336	272,574	
Vote 8 - Economic Development	9,586	14,607	11,451	11,270	13,448	11,315	8,851	13,132	7,934	14,696	18,259	79,704	214,254	208,004	215,523	
Vote 9 - Disaster and Emergency Management Services	56,050	58,443	69,577	56,684	60,158	57,905	61,135	60,176	74,924	61,193	54,817	79,525	750,596	798,872	847,082	
Vote 10 - Sport, Recreation, Arts & Culture (SRAC)	28,469	59,284	68,556	47,116	49,732	48,359	44,724	51,324	53,398	64,466	57,948	52,595	625,970	660,091	688,954	
Vote 11 - Health and Social Development	56,581	71,539	63,641	65,740	64,806	65,808	61,936	62,517	83,475	66,560	94,015	114,159	870,776	926,244	982,096	
Vote 12 - Environmental Resource Management	41,515	46,526	50,972	52,459	56,968	53,457	54,788	59,070	65,198	52,744	62,768	69,705	666,200	710,271	756,821	
Vote 13 - Ekurhuleni Metropolitan Police Department (EMPD)	67,134	82,854	81,236	79,474	84,508	83,608	92,044	83,728	82,875	78,065	92,525	176,677	1,084,727	1,151,123	1,222,170	
Vote 14 - Transport	22,162	26,409	26,080	25,942	30,822	22,314	25,035	29,090	29,472	24,808	33,107	84,496	379,738	577,464	612,191	
Vote 15 - Roads and Stormwater	15,759	164,071	124,273	121,966	121,404	110,130	103,370	116,353	108,228	108,965	121,883	150,771	1,366,602	1,513,067	1,668,816	
Total Expenditure by Vote	1,731,339	2,753,006	2,890,911	2,933,222	2,382,534	2,428,879	2,091,449	2,111,794	2,233,891	2,166,299	2,336,142	3,262,405	29,321,872	32,240,963	35,528,468	
Surplus/(Deficit) before asooc.	799,688	(285,068)	185,226	(468,173)	390,343	234,351	89,226	28,186	163,775	(161,158)	120,760	881,356	1,978,523	2,208,690	2,387,632	
Taxation																
Attributable to minorities																
Share of surplus/ (deficit) of associate																
Surplus/(Deficit)	799,688	(285,068)	185,226	(468,173)	390,343	234,351	89,226	28,186	163,775	(161,158)	120,760	881,356	1,978,523	2,208,690	2,387,632	

Table 57 MBRR SA27 - Budgeted monthly revenue and expenditure (standard classification)

Ekuhuleni Metro - Supporting Table SA27 Budgeted monthly revenue and expenditure (standard classification)												
Description	Budget Year 2015/16											
	July	August	Sept.	October	November	December	January	February	March	April	May	June
R thousand	Budget Year 2015/16	Budget Year 2015/16	Budget Year 2015/16	Budget Year 2015/16	Budget Year 2015/16	Budget Year 2015/16	Budget Year 2015/16	Budget Year 2015/16	Budget Year 2015/16	Budget Year 2015/16	Budget Year 2015/16	Budget Year 2015/16
Medium Term Revenue and Expenditure Framework												
	Budget Year +2017/18	Budget Year +2017/18	Budget Year +2017/18	Budget Year +2017/18	Budget Year +2017/18	Budget Year +2017/18	Budget Year +2017/18	Budget Year +2017/18	Budget Year +2017/18	Budget Year +2017/18	Budget Year +2017/18	Budget Year +2017/18
Revenue - Standard												
Governance and administration												
Executive and council	351,427	1,050,321	415,640	371,064	540,747	1,033,446	352,989	509,355	1,126,200	376,495	520,761	410,510
Budget and treasury office	4	4	5	4	5	4	4	4	4	3	4	(46)
Corporate services	347,864	1,046,822	411,324	367,647	536,908	1,029,763	349,950	506,382	1,122,950	373,696	517,225	396,778
	3,558	3,494	4,311	3,413	3,679	3,679	3,036	2,970	3,326	2,795	3,532	13,778
Community and public safety	57,836	38,095	55,001	146,439	(58,949)	48,133	65,488	40,732	63,538	45,456	89,878	746,684
Community and social services	2,527	2,482	3,062	2,424	2,723	2,613	2,156	2,109	2,362	1,985	2,508	16,529
Sport and recreation	260	220	854	1,486	1,322	2,851	481	402	7,799	5,582	6,100	(1,526)
Public safety	17,682	17,373	21,434	16,970	19,061	18,291	15,093	14,765	16,536	13,896	17,015	305,687
Housing	17,571	18,021	23,596	122,943	(90,990)	(9,120)	46,850	21,534	19,546	19,182	32,904	517,078
Health	19,787	0	6,054	2,616	8,947	33,498	908	1,922	17,295	4,811	30,806	97,597
Economic and environmental services												
Planning and development	29,598	83,877	28,752	72,899	155,548	14,742	2,310	141,740	80,727	21,757	175,256	422,047
Road transport	330	324	389	316	355	341	281	275	308	259	327	92,089
Environmental protection	29,255	83,541	28,338	72,571	155,179	14,388	2,018	141,454	80,407	21,489	174,917	307,475
	13	13	15	12	14	13	11	11	12	10	13	22,483
Trading services	2,090,014	1,293,531	2,574,135	1,872,381	2,133,205	1,564,683	1,758,061	1,446,337	1,125,108	1,559,743	1,668,869	2,654,295
Electricity	1,021,975	888,064	2,048,552	1,354,934	1,567,118	843,154	1,240,259	986,943	705,173	884,571	961,489	1,343,999
Water	719,052	308,223	348,198	361,533	396,061	356,796	336,141	299,588	206,392	519,245	517,162	481,326
Waste water management	68,778	67,539	83,328	65,972	74,103	71,109	58,676	57,402	64,284	54,021	68,285	458,269
Waste management	280,209	19,704	94,057	90,142	95,923	293,624	122,985	102,444	149,260	102,905	121,953	282,700
Other	2,154	2,115	2,609	2,066	2,321	2,227	1,837	1,798	2,013	1,692	2,138	214
Total Revenue - Standard	2,531,027	2,467,938	3,076,137	2,465,050	2,772,876	2,663,231	2,180,685	2,139,981	2,397,665	2,005,142	2,456,903	4,143,759
Expenditure - Standard												
Governance and administration												
Executive and council	205,801	303,429	322,969	413,804	341,992	280,257	388,358	222,398	175,422	162,470	197,488	245,205
Budget and treasury office	31,360	69,059	74,380	74,453	56,881	56,518	46,358	46,993	49,642	36,992	31,360	99,128
Corporate services	121,774	149,345	158,997	249,897	210,538	149,478	73,036	109,320	57,422	59,393	94,082	6,436
	52,667	85,025	89,592	89,655	74,573	74,261	268,964	66,086	68,359	66,084	72,046	139,640
Community and public safety	277,507	295,535	296,713	216,756	275,362	315,209	231,349	459,469	334,056	251,366	433,750	1,193,880
Community and social services	14,551	23,491	24,753	24,770	20,803	20,517	18,108	18,258	18,886	18,258	19,905	88,565
Sport and recreation	28,808	59,989	69,371	47,677	50,324	57,933	45,256	51,935	54,033	65,233	58,637	320,708
Public safety	162,416	100,334	106,176	47,250	88,377	88,007	77,672	297,528	95,959	78,317	234,049	157,702
Housing	15,668	40,835	33,353	31,920	51,944	83,545	28,943	29,801	82,465	23,626	28,003	121,815
Health	56,064	70,886	63,060	65,139	64,214	65,207	61,370	61,945	82,712	65,952	93,156	505,090
Economic and environmental services												
Planning and development	113,216	182,774	192,591	192,725	160,305	159,634	140,887	142,060	146,947	145,217	154,872	531,749
Road transport	9,435	15,232	16,050	16,061	13,360	13,304	11,741	11,839	12,246	11,839	12,907	312,082
Environmental protection	100,078	161,565	170,242	170,362	141,703	141,110	124,539	125,576	129,895	128,733	136,901	198,844
	3,702	5,977	6,298	6,302	5,242	5,220	4,607	4,646	4,805	4,645	5,065	20,823
Trading services	1,133,595	1,969,299	2,076,565	2,107,860	1,603,148	1,672,098	1,329,338	1,286,337	1,575,893	1,605,697	1,540,363	1,288,101
Electricity	650,312	1,476,015	1,410,965	1,556,530	1,051,837	1,134,936	793,552	770,384	944,944	1,119,980	967,688	882,763
Water	307,025	373,202	467,886	400,690	376,958	389,983	393,620	362,378	426,620	340,350	409,689	81,487
Waste water management	125,832	41,702	43,942	43,973	36,576	36,423	32,145	32,413	33,528	32,412	35,336	93,295
Waste management	50,426	78,380	153,771	106,667	137,776	110,717	110,019	121,162	170,791	112,955	135,649	230,556
Other	1,220	1,969	2,075	2,076	1,727	1,720	1,518	1,530	1,583	1,530	1,668	3,470
Total Expenditure - Standard	1,731,339	2,753,006	2,890,911	2,933,223	2,362,333	2,428,879	2,091,449	2,111,795	2,233,891	2,166,299	2,336,142	3,262,405
Surplus/(Deficit) before assoc.	799,689	(285,068)	185,226	(468,173)	390,343	234,352	89,236	28,186	163,775	(161,157)	120,761	881,354
Share of surplus/ (deficit) of associate												-
Surplus/(Deficit)	799,689	(285,068)	185,226	(468,173)	390,343	234,352	89,236	28,186	163,775	(161,157)	120,761	881,354

Table 58 MBRR SA28 - Budgeted monthly capital expenditure (municipal vote)

EKU Ekurhuleni Metro - Supporting Table SA28 Budgeted monthly capital expenditure (municipal vote)																
R thousand	Description	Budget Year 2015/16										Medium Term Revenue and Expenditure Framework				
		July	August	Sept.	October	Nov.	Dec.	January	Feb.	March	April	May	June	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
Multi-year expenditure to be appropriated																
	Vote 1 - Executive and Council	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Vote 2 - Finance and Corporate Services	1,606	11,570	25,352	26,446	28,003	34,321	14,987	24,524	33,256	27,376	51,565	262,220	541,225	714,177	1,030,917
	Vote 3 - Energy	1,507	10,860	23,795	24,822	26,284	32,214	14,067	23,018	31,214	25,686	48,399	246,123	508,000	719,000	699,000
	Vote 4 - Water and Sanitation	1,511	10,883	23,847	24,876	26,341	32,284	14,097	23,068	31,282	25,751	48,504	246,656	509,100	505,500	515,000
	Vote 5 - Waste Management	232	1,673	3,667	3,825	4,050	4,964	2,168	3,547	4,810	3,960	7,458	37,926	78,280	138,500	137,500
	Vote 6 - Human Settlements	1,716	12,361	27,084	28,253	29,917	36,667	16,011	26,200	35,529	29,247	55,088	280,140	578,212	607,580	374,390
	Vote 7 - City Planning	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Vote 8 - Economic Development	211	1,518	3,326	3,469	3,674	4,502	1,966	3,217	4,363	3,591	6,764	34,399	71,000	62,500	23,000
	Vote 9 - Disaster and Emergency Management Services	185	1,333	2,921	3,047	3,226	3,954	1,727	2,825	3,831	3,154	5,940	30,208	62,350	81,200	56,680
	Vote 10 - Sport, Recreation, Arts & Culture (SRAC)	480	3,461	7,584	7,911	8,377	10,267	4,483	7,336	9,948	8,189	15,425	78,439	161,900	92,911	92,500
	Vote 11 - Health and Social Development	268	1,930	4,230	4,412	4,672	5,726	2,500	4,092	5,549	4,568	8,603	43,750	90,300	134,500	156,520
	Vote 12 - Environmental Resource Management	277	1,999	4,380	4,569	4,838	5,929	2,589	4,237	5,745	4,729	8,908	45,300	93,500	100,000	108,500
	Vote 13 - Ekurhuleni Metropolitan Police Department (EMPD)	111	797	1,747	1,823	1,930	2,365	1,033	1,690	2,292	1,887	3,554	18,072	37,300	40,000	23,500
	Vote 14 - Transport	2,024	14,583	31,953	33,332	35,294	43,257	18,889	30,909	41,915	34,504	64,990	330,494	682,144	777,689	917,144
	Vote 15 - Roads and Stormwater	1,933	13,928	30,517	31,834	33,708	41,314	18,041	29,520	40,032	32,954	62,071	315,647	651,500	611,800	553,000
	Capital multi-year expenditure sub-total	12,061	86,897	190,402	198,619	210,313	257,765	112,558	184,183	249,764	205,605	387,270	1,969,374	4,064,811	4,385,356	4,687,651
Single-year expenditure to be appropriated																
	Vote 1 - Executive and Council	24	170	372	388	411	504	220	360	488	402	757	3,848	7,943	18,180	9,030
	Vote 2 - Finance and Corporate Services	146	1,053	2,308	2,407	2,549	3,124	1,364	2,232	3,027	2,492	4,694	23,869	49,265	28,137	60,385
	Vote 3 - Energy	65	465	1,019	1,063	1,126	1,380	603	986	1,337	1,101	2,073	10,543	21,760	22,700	22,700
	Vote 4 - Water and Sanitation	9	64	141	147	155	190	83	136	184	152	286	1,453	3,000	2,500	-
	Vote 5 - Waste Management	118	849	1,860	1,940	2,054	2,518	1,089	1,799	2,439	2,008	3,782	19,234	39,700	41,000	47,500
	Vote 6 - Human Settlements	3	23	51	53	56	68	30	49	66	55	103	523	1,080	1,180	1,199
	Vote 7 - City Planning	13	94	206	215	228	279	122	199	270	223	419	2,132	4,400	4,800	3,500
	Vote 8 - Economic Development	15	107	234	244	259	317	138	227	307	253	476	2,422	5,000	5,680	3,940
	Vote 9 - Disaster and Emergency Management Services	144	1,037	2,273	2,371	2,511	3,077	1,344	2,199	2,982	2,455	4,624	23,512	48,530	58,170	66,640
	Vote 10 - Sport, Recreation, Arts & Culture (SRAC)	93	673	1,476	1,539	1,630	1,998	872	1,427	1,936	1,593	3,001	15,262	31,500	23,000	22,000
	Vote 11 - Health and Social Development	42	299	656	684	724	888	388	634	860	708	1,334	6,783	14,000	18,700	18,600
	Vote 12 - Environmental Resource Management	165	1,188	2,603	2,716	2,876	3,525	1,539	2,518	3,415	2,811	5,295	26,928	55,580	60,225	59,700
	Vote 13 - Ekurhuleni Metropolitan Police Department (EMPD)	162	1,169	2,562	2,673	2,830	3,468	1,515	2,478	3,361	2,767	5,211	26,499	54,695	56,500	64,200
	Vote 14 - Transport	140	1,007	2,206	2,301	2,437	2,987	1,304	2,134	2,894	2,382	4,487	22,820	47,100	8,300	91,700
	Vote 15 - Roads and Stormwater	69	496	1,087	1,134	1,200	1,471	642	1,051	1,426	1,173	2,210	11,240	23,200	23,600	23,700
	Capital single-year expenditure sub-total	1,207	8,695	19,053	19,875	21,045	25,794	11,263	18,431	24,993	20,574	38,753	197,069	406,753	372,672	494,794
	Total Capital Expenditure	13,268	95,592	209,455	218,494	231,358	283,559	123,822	202,614	274,757	226,180	426,023	2,166,443	4,471,563	4,958,028	5,182,445

Table 59 MBRR SA29 - Budgeted monthly capital expenditure (standard classification)

EKU Ekurhuleni Metro - Supporting Table SA29 Budgeted monthly capital expenditure (standard classification)																
Description	Budget Year 2015/16												Medium Term Revenue and Expenditure Framework			
	July	August	Sept.	October	Nov.	Dec.	January	Feb.	March	April	May	June	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18	
Capital Expenditure - Standard																
Governance and administration																
Executive and council	1,776	12,793	28,031	29,241	30,963	37,949	16,571	27,116	36,771	30,270	57,015	289,937	598,433	760,493	1,100,332	
Budget and treasury office	38	275	603	630	667	817	357	584	792	652	1,227	6,242	12,883	223,380	10,170	
Corporate services	775	5,581	12,230	12,757	13,508	16,556	7,230	11,830	16,042	13,206	24,875	126,494	261,085	226,816	748,600	
Community and public safety																
Community and social services	983	6,936	15,198	15,854	16,788	20,576	8,985	14,702	19,937	16,412	30,913	157,201	324,465	310,288	341,562	
Sport and recreation	3,615	26,043	57,063	59,526	63,031	77,252	33,734	55,200	74,854	61,620	116,065	590,220	1,218,222	1,260,041	1,031,429	
Public safety	768	5,532	12,120	12,644	13,388	16,409	7,165	11,725	15,899	13,088	24,653	125,365	258,755	201,211	221,700	
Housing	217	1,561	3,419	3,567	3,777	4,629	2,021	3,308	4,486	3,692	6,955	35,368	73,000	61,000	48,000	
Health	602	4,337	9,503	9,913	10,497	12,865	5,618	9,193	12,466	10,262	19,329	98,292	202,875	235,870	211,020	
Economic and environmental services																
Planning and development	1,719	12,384	27,135	28,306	29,972	36,735	16,041	26,249	35,595	29,302	55,191	280,663	579,292	608,760	375,589	
Road transport	309	2,230	4,886	5,096	5,396	6,614	2,888	4,726	6,409	5,276	9,937	50,533	104,300	153,200	175,120	
Environmental protection	4,384	31,583	69,202	72,189	76,439	93,685	40,910	66,942	90,778	74,728	140,755	715,775	1,477,369	1,485,394	1,625,984	
Trading services																
Electricity	186	1,340	2,937	3,064	3,244	3,976	1,736	2,841	3,853	3,171	5,974	30,378	62,700	50,080	27,440	
Water	4,166	30,013	65,763	68,601	72,640	89,029	38,877	63,615	86,266	71,014	133,759	680,201	1,403,944	1,421,389	1,585,544	
Waste water management	32	229	502	524	555	680	297	486	659	542	1,022	5,196	10,725	13,925	13,000	
Waste management	3,441	24,795	54,329	56,673	60,010	73,550	32,117	52,554	71,267	58,667	110,502	561,935	1,159,840	1,429,200	1,421,700	
Other																
Electricity	1,572	11,325	24,815	25,886	27,410	33,594	14,670	24,004	32,551	26,796	50,472	256,665	529,760	741,700	721,700	
Water	763	5,494	12,038	12,558	13,297	16,297	7,117	11,645	15,791	13,000	24,485	124,515	257,000	329,500	360,000	
Waste water management	757	5,453	11,949	12,465	13,199	16,177	7,064	11,559	15,675	12,903	24,304	123,594	255,100	178,500	155,000	
Waste management	350	2,522	5,526	5,765	6,104	7,482	3,267	5,346	7,249	5,968	11,240	57,161	117,980	179,500	185,000	
Total Capital Expenditure - Standard	53	378	829	865	916	1,122	490	802	1,088	895	1,686	8,576	17,700	22,900	3,000	
Funded by:																
National Government	13,268	95,592	209,455	218,494	231,358	283,559	123,822	202,614	274,757	226,180	426,023	2,166,443	4,471,563	4,958,028	5,182,445	
Provincial Government																
District Municipality																
Other transfers and grants																
Transfers recognised - capital																
Public contributions & donations	5,767	41,547	91,035	94,964	100,555	123,243	53,817	88,062	119,418	98,305	185,163	941,601	1,943,477	2,192,480	2,359,934	
Borrowing	95	686	1,503	1,567	1,660	2,034	888	1,454	1,971	1,623	3,056	15,542	32,079	8,000	6,000	
Internally generated funds																
Total Capital Funding																
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
	5,862	42,233	92,538	96,532	102,215	125,277	54,705	89,515	121,389	99,927	188,219	957,144	1,975,556	2,200,480	2,365,934	
	2,987	21,520	47,153	49,188	52,084	63,836	27,875	45,613	61,854	50,918	95,908	487,718	1,006,655	1,812,300	1,711,600	
	4,419	31,839	69,764	72,774	77,059	94,445	41,242	67,485	91,514	75,334	141,896	721,582	1,489,353	945,248	1,104,911	
	13,268	95,592	209,455	218,494	231,358	283,559	123,822	202,614	274,757	226,180	426,023	2,166,443	4,471,563	4,958,028	5,182,445	

Table 60 MBRR SA30 - Budgeted monthly cash flow

EKU Ekurhuleni Metro - Supporting Table SA30 Budgeted monthly cash flow																
MONTHLY CASH FLOWS		Budget Year 2015/16												Medium Term Revenue and Expenditure Framework		
R thousand	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18	
Cash Receipts By Source													1			
Property rates	251,061	308,886	434,251	340,328	341,203	332,562	320,925	334,406	332,023	334,842	226,053	528,655	4,085,196	4,502,290	5,002,034	
Property rates - penalties & collection charges	5,271	7,379	9,487	7,379	10,541	8,433	9,487	8,433	6,325	7,379	8,433	16,866	105,414	113,847	122,955	
Service charges - electricity revenue	1,045,072	1,313,208	1,262,315	891,312	1,019,838	864,466	929,792	803,496	837,202	860,280	918,042	1,729,123	12,474,146	13,985,555	15,655,246	
Service charges - water revenue	260,819	152,009	189,645	423,830	489,035	326,023	278,778	260,819	145,974	206,371	202,851	324,079	3,260,234	3,595,499	3,922,520	
Service charges - sanitation revenue	77,453	36,769	110,647	110,647	110,647	120,221	121,711	105,648	22,129	95,170	84,053	111,371	1,106,465	1,207,997	1,313,410	
Service charges - refuse revenue	90,233	95,654	109,369	106,643	100,936	108,842	96,059	112,919	107,968	93,953	110,170	136,645	1,269,392	1,369,776	1,478,127	
Service charges - other	6,801	6,621	7,758	7,758	6,034	7,758	6,883	7,758	8,086	5,068	7,683	7,995	86,204	131,328	138,856	
Rental of facilities and equipment	6,853	5,325	5,456	5,520	5,534	5,050	5,674	6,095	5,666	5,162	6,063	5,659	68,058	73,501	79,380	
Interest earned - external investments	30,937	26,863	17,286	23,950	18,126	21,774	13,631	15,995	9,595	29,948	44,683	64,298	317,085	345,623	376,729	
Interest earned - outstanding debtors	14,476	15,564	17,703	16,498	11,087	16,628	17,633	16,668	13,136	15,100	15,090	102,799	272,380	294,170	317,704	
Fines	19,058	21,366	18,787	19,842	19,126	22,588	20,624	25,248	27,598	19,078	29,378	24,381	267,074	289,730	314,347	
Licences and permits	3,584	3,794	7,184	4,232	4,447	3,080	6,311	4,444	5,066	3,031	3,282	5,751	54,205	68,270	73,391	
Agency services	20,018	22,302	27,358	25,632	21,183	18,163	22,059	21,133	22,068	15,003	24,470	34,623	274,014	295,935	319,610	
Transfer receipts - operational	1,030,073	394,353	-	114,705	518,046	773,543	67,720	610,407	822,020	-	-	134,375	4,465,243	3,112,830	3,457,959	
Other revenue	8,308	4,154	7,440	4,154	2,935	4,383	2,158	3,234	1,986	3,185	24,925	16,221	83,085	1,660,339	1,751,383	
Cash Receipts by Source	2,870,016	2,414,247	2,224,687	2,102,431	2,678,717	2,633,515	1,919,445	2,336,706	2,366,840	1,693,571	1,705,177	3,242,842	28,188,193	31,046,691	34,323,649	
Other Cash Flows by Source																
Transfer receipts - capital	325,374	201,134	-	58,504	214,222	394,535	34,539	311,329	419,260	-	-	16,658	1,975,556	2,200,480	2,365,934	
Borrowing long term/refinancing									1,006,665			-	1,006,665	1,812,300	1,711,600	
Increase (decrease) in consumer deposits	1,349	1,349	1,349	1,349	1,349	1,349	1,349	1,349	1,349	1,349	1,349	1,349	16,191	16,596	17,011	
Decrease (increase) in non-current investments	(36,739)	6,129	6,141	(36,739)	3,461	(85,971)	6,129	(36,739)	6,141	(36,739)	3,461	(85,971)	(287,437)	(287,437)	(287,437)	
Total Cash Receipts by Source	3,160,000	2,622,859	2,232,177	2,125,545	2,897,750	2,943,428	1,961,462	2,612,645	3,800,254	1,658,181	1,709,987	3,174,878	30,899,168	34,788,629	38,130,757	
Cash Payments by Type																
Employee related costs	397,669	482,085	463,262	480,798	461,514	483,433	447,579	464,834	465,653	630,375	412,319	541,161	5,730,680	6,151,652	6,497,734	
Remuneration of councillors	7,995	7,907	8,022	7,905	7,909	7,916	12,055	8,591	8,561	8,561	8,561	14,868	108,849	115,924	122,880	
Finance charges	-	-	13,617	-	5,961	312,711	-	-	12,181	-	5,961	412,766	763,197	858,587	965,921	
Bulk purchases - Electricity	609,634	1,060,165	952,687	1,189,089	613,005	562,663	581,409	545,767	574,116	614,223	649,641	756,656	8,709,055	9,928,323	11,318,288	
Bulk purchases - Water & Sewer	218,272	379,579	341,097	425,739	219,479	201,455	208,166	195,405	205,555	219,915	232,596	270,911	3,118,168	3,427,138	3,735,580	
Other materials	135,981	190,373	271,961	217,569	244,765	217,569	163,177	190,373	271,961	190,373	271,961	353,550	2,719,615	3,010,473	3,273,238	
Contracted services	27,264	63,617	63,617	72,705	72,705	99,969	99,969	109,057	77,422	50,863	86,909	84,713	908,808	958,792	1,035,496	
Transfers and grants - other	1,479	77,375	156,768	4,665	208,988	8,310	131,389	163,935	98,960	11,896	150,731	98,491	1,112,987	1,235,472	1,360,401	
Other expenditure	143,449	200,829	286,898	229,519	258,208	229,519	172,139	200,829	286,898	200,829	286,898	372,968	2,868,982	2,983,466	3,145,738	
Cash Payments by Type	1,541,742	2,461,929	2,557,929	2,627,988	2,092,534	2,123,544	1,815,882	1,878,792	2,001,308	1,927,034	2,105,577	2,906,083	26,040,341	28,669,827	31,455,275	
Other Cash Flows/Payments by Type																
Capital assets	13,268	95,592	209,455	218,494	231,358	283,559	123,822	202,614	274,757	226,180	426,023	2,166,443	4,471,563	4,958,028	5,182,445	
Repayment of borrowing		9,167	4,576	30,789	26,667	60,439		9,807	4,844	31,006	26,667	63,705	267,666	286,075	306,507	
Other Cash Flows/Payments	18,067	18,067	18,067	18,067	18,067	18,067	18,067	18,067	18,067	18,067	18,067	18,067	216,807	231,697	247,617	
Total Cash Payments by Type	1,573,077	2,584,755	2,790,027	2,895,338	2,368,625	2,485,609	1,957,772	2,109,280	2,298,976	2,202,287	2,576,334	5,154,299	30,996,379	34,145,626	37,191,844	
NET INCREASE/(DECREASE) IN CASH HELD	1,586,923	38,104	(557,850)	(769,793)	529,124	457,819	3,691	503,365	1,501,278	(544,106)	(866,346)	(1,979,420)	(97,211)	643,003	938,912	
Cash/cash equivalents at the month/year begin:	4,782,398	6,369,321	6,407,425	5,849,576	5,079,783	5,608,907	6,066,726	6,070,417	6,573,782	8,075,060	7,530,954	6,664,608	4,782,398	4,685,187	5,328,190	
Cash/cash equivalents at the month/year end:	6,369,321	6,407,425	5,849,576	5,079,783	5,608,907	6,066,726	6,070,417	6,573,782	8,075,060	7,530,954	6,664,608	4,685,187	4,685,187	5,328,190	6,267,103	

2.10 Annual budgets and SDBIPs – internal departments

2.10.1 CITY MANAGER

Operating Budget of the City Manager

The main cost drivers of relevant departments are salaries and office overhead costs.

Capital Budget of the departments within the City Manager

An amount of R1 230 000 for the 2015/16, R280 000 for the 2016/17 and R330 000 for the 2017/18 financial years have been provided for operational equipment for the City Manager.

The department has requested the following Capital Budget:

Department	Project Name	Capitalisation Investment Framework Category	CCA	Ward/s in which project is located	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
City Manager	ICT Equipment	Upgrading and Renewal	Operational Equipment	Operational Equipment	100,000	120,000	140,000
City Manager	Office Furniture	Upgrading and Renewal	Operational Equipment	Operational Equipment	100,000	120,000	140,000
City Manager	Other Equipment	Upgrading and Renewal	Operational Equipment	Operational Equipment	30,000	40,000	50,000
City Manager	Vehicles	Upgrading and Renewal	Operational Equipment	Operational Equipment	1,000,000	-	-
					1,230,000	280,000	330,000

Table 61 Operating Budget of the City Manager

EKURHULENI METROPOLITAN MUNICIPALITY												
CITY MANAGER												
FINANCIAL PERIOD	F00 R'000	F00 R'000	F00 R'000	F00 R'000	F00 R'000	F00 R'000	F01 R'000	% B to B	% P to B	% Of Total	F02 R'000	F03 R'000
INCOME												
SUNDRY INCOME	0	0	0	0	0	0	0	-100.00%	0.00%	0.00%	0	0
TOTAL OPERATING INCOME	0	0	0	0	0	0	0	-100.00%	0.00%	0.00%	0	0
NET OPERATING INCOME	0	0	0	0	0	0	0	-100.00%	0.00%	0.00%	0	0
EXPENDITURE												
Employee Related Costs - Salaries & Wages	22,595	19,914	7,356	10,317	18,393	7,64%	18,393	-7.64%	78.28%	72.38%	19,589	20,764
Employee Related Costs - Overtime	72	72	132	185	77	6.80%	77	6.80%	-58.42%	0.30%	82	87
Employee Related Costs - Social Contributions	1,410	1,410	858	1,194	2,468	75.03%	2,468	75.03%	106.64%	9.71%	2,628	2,786
Less: Employee Related Costs - Salaries Capitalised	(1,458)	(1,458)	0	(458)	(1,458)	0.00%	(1,458)	0.00%	218.09%	-5.74%	(1,553)	(1,646)
Sub-Total: REMUNERATION	22,619	19,938	8,346	11,237	19,480	-2.30%	19,480	-2.30%	73.35%	76.65%	20,746	21,991
DEPRECIATION	183	183	137	183	189	3.26%	189	3.26%	3.26%	0.74%	195	201
Repairs and Maintenance - External Contractors	59	59	27	59	42	-28.33%	42	-28.33%	-27.72%	0.17%	45	47
Repairs and Maintenance - Internal Maintenance Teams	41	41	26	34	44	8.49%	44	8.49%	29.95%	0.17%	47	50
Sub-Total: REPAIRS AND MAINTENANCE	100	100	53	93	87	-13.26%	87	-13.26%	-6.47%	0.34%	92	97
GENERAL EXPENSES	10,785	10,662	4,122	7,681	5,657	-46.94%	5,657	-46.94%	-26.34%	22.26%	5,686	5,717
TOTAL OPERATING EXPENDITURE	33,687	30,884	12,658	19,194	25,412	-17.72%	25,412	-17.72%	32.40%	100.00%	26,718	28,006
NET OPERATING EXPENDITURE	33,687	30,884	12,658	19,194	25,412	-17.72%	25,412	-17.72%	32.40%	100.00%	26,718	28,006
OPERATING SURPLUS/(DEFICIT)	(33,687)	(30,883)	(12,658)	(19,194)	(25,412)	-17.72%	(25,412)	-17.72%	32.40%		(26,718)	(28,006)
Total Transfers from Cash-Backed Reserves	799	799	599	799	599	-25.00%	599	-25.00%	-25.00%		399	200
NET OPERATING SURPLUS/(DEFICIT)	(32,888)	(30,084)	(12,059)	(18,395)	(24,813)	-17.52%	(24,813)	-17.52%	34.89%		(26,319)	(27,806)

2.10.2 CHIEF OPERATING OFFICER: DELIVERY CO-ORDINATION**Operating Budget of the Chief Operating Officer: Delivery Co Ordination**

The main cost drivers of relevant departments are salaries and office overhead costs.

The COO, envisaged that in the 2015/16 financial year the office will be fully capacitated and therefore we will be able to drive the service delivery programmes.

The office itself will co-ordinate service delivery programme which sits with the various service delivery departments

It is also important to note that the COO will also monitor the implementation of service delivery projects

The office will also focus on the investigation/reviewing of service delivery mechanism as per sections 76, 77 and 78 of the Municipal Systems Act.

Capital Budget of the Chief Operating Officer: Delivery Co Ordination

An amount of R630 000 for the 2015/16, R180 000 for the 2016/17 and R180 000 for the 2017/18 financial years have been provided for operational equipment for the Chief Operating Officer.

The department has requested the following Capital Budget:

Department	Project Name	Capitalisation Investment Framework Category	CCA	Ward/s in which project is located	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
Chief Operating Officer	ICT Equipment	Upgrading and Renewal	Operational Equipment	Operational Equipment	310,000	80,000	80,000
Chief Operating Officer	Office furniture	Upgrading and Renewal	Operational Equipment	Operational Equipment	300,000	70,000	70,000
Chief Operating Officer	Other Equipment	Upgrading and Renewal	Operational Equipment	Operational Equipment	20,000	30,000	30,000
					630,000	180,000	180,000

Table 62 Operating Budget of the Chief Operating Officer: Delivery Co-Ordination Department

EKURHULENI METROPOLITAN MUNICIPALITY										
CHIEF OPERATING OFFICER										
FINANCIAL PERIOD	F00 R'000 ORG BUDGET	F00 R'000 ADJ BUDGET	F00 R'000 YEAR TO DATE	F00 R'000 PROJECTED	F01 R'000 2015/16	% B to B	% P to B	% Of Total	F02 R'000 2016/17	F03 R'000 2017/18
EXPENDITURE										
Employee Related Costs - Salaries & Wages	6,207	6,207	4,105	5,758	6,559	5.66%	13.91%	63.23%	6,985	7,404
Employee Related Costs - Overtime	32	32	64	90	34	6.80%	-61.78%	0.33%	37	39
Employee Related Costs - Social Contributions	900	900	606	843	1,275	41.67%	51.26%	12.30%	1,358	1,440
Sub-Total: REMUNERATION	7,140	7,140	4,775	6,691	7,869	10.21%	17.60%	75.86%	8,380	8,883
Repairs and Maintenance - External Contractors	9	19	11	24	8	-59.53%	-68.08%	0.07%	8	8
Sub-Total: REPAIRS AND MAINTENANCE	9	19	11	24	8	-59.53%	-68.08%	0.07%	8	8
GENERAL EXPENSES	3,956	3,976	106	198	2,497	-37.21%	1162.58%	24.07%	2,499	2,501
TOTAL OPERATING EXPENDITURE	11,105	11,135	4,892	6,913	10,373	-6.84%	50.06%	100.00%	10,887	11,392
NET OPERATING EXPENDITURE	11,105	11,135	4,892	6,913	10,373	-6.84%	50.06%	100.00%	10,887	11,392
OPERATING SURPLUS/(DEFICIT)	(11,105)	(11,135)	(4,892)	(6,913)	(10,373)	-6.84%	50.06%		(10,887)	(11,392)
NET OPERATING SURPLUS/ (DEFICIT)	(11,105)	(11,135)	(4,892)	(6,913)	(10,373)	-6.84%	50.06%		(10,887)	(11,392)

2.10.3 CITY PLANNING

The result statements of the department are contained in the IDP in Annexure A.

Key Strategic Projects of the City Planning Department

Project Name	Brief Description	Project Status/Progress
Development of Regional Spatial Development Frameworks (RSDFs) for Regions B, C, D, E & F and review of the metropolitan Spatial Development Framework (MSDF).	The aim of the project is to develop RSDFs and review the current (2011) MSDF to give context to urban design, city form and city identity for the metro.	The service provider was appointed towards the end of the 2013/14 financial year. The service provider started with work in July 2014. The status quo report has been drafted.
Development of identified strategic land parcels.	<p>The aim is to mobilise private sector investors to partner with the metro to maximise the potential land asset value and attract more investment in order for Ekurhuleni to achieve its developmental objectives that would result in economic growth, poverty alleviation.</p> <p>EMM intends to package land for development to alter the metro's spatial landscape and optimise urban development by maximising the potential of strategic developable land and property through partnership with the private sector, lease or outright disposal of the land and property assets.</p>	Framework for the development of strategic land parcels and development areas owned by Council has been approved.
Regularisation of unproclaimed townships.	<p>The project aims to regularise existing townships within the area of jurisdiction of EMM that have not been proclaimed.</p> <p>Once proclamation has been completed property owners will be able to obtain freehold titles.</p>	Three townships (Igqagqa, Tembisa Ext.7 and Etwatwa Ext.2 have been registered with the Surveyor-General and Registrar of Deeds.
Development Ekurhuleni Town Planning Scheme.	The project aims to put in place the new Ekurhuleni Town Planning Scheme by 30 June 2014, which will replace the current 17 Town Planning Schemes that are currently operational.	<p>Public participation on the draft Town Planning Scheme has been completed.</p> <p>The final Town Planning Scheme has been completed and is in the process of going to Council for approval.</p>
Development and Implementation of the Capital Investment Framework (CIF)	The CIF aims to drive CAPEX spend within defined geographic priority areas within the metro thus having a catalytic effect with regards to return on investment in relation to social and	CIF is reviewed and implemented annually in line with the budget process timeframes. Financial modelling and the development of the Capital

Project Name	Brief Description	Project Status/Progress
	developmental objectives for the metro.	Prioritisation model is currently underway.
Development of the Built Environment Framework (BEPP)	The built environment framework is a legislated document as described in the Division of Revenue Act, which seeks to assess and evaluate the development of the built environment fabric of the city and the impact thereof of major projects which utilise grant funding.	The BEPP is reviewed and submitted annually in line with the timeframes prescribed by national treasury.
Driving Strategic Urban Development Projects	The department through the Specialist Projects Division has undertaken to drive catalytic strategic urban development projects which would have a substantial effect on the economy of the region.	Project profiling and analysis has taken place on monthly basis.

Project 1: Development of RSDFs for Regions B, C, D, E and F and review of the MSDF

It is the intention of City Planning Department to appoint a multidisciplinary team/company led by one project managers to draft of five RSDFs and the further consolidation of all the six Regional Spatial Development Frameworks (RSDF) and the ultimate review of the Metropolitan Spatial Development Framework (MSDF).

Project 2: Development of identified strategic land parcels

The framework for strategic land parcels was approved by Council in February 2014. A number of strategic land parcels will be identified to undergo the process of feasibilities, in-depth analysis, land packaging and profiling by a team of expertise to inform if the metro's objective of their development will be realised. A transaction advisor will be appointed through the tender process for the provision of professional specialised consulting services for conducting feasibility studies and execution of business plans for the development of strategic land parcels within EMM. The outcomes will also inform Council which land parcels would proceed to the tender phase to solicit the best possible proposal through Requests for Proposals. Business plans for each land parcel will be available upon the completion of the work to be conducted by the service provider to be appointed. The project duration is expected to take a maximum of 36 months from the 2015/16 to 2017/2018 financial years.

The project is co-managed by the Real Estate and City Planning Departments. It is therefore agreed between the two departments that the project will, in the first financial year, be financed by City Planning. The budget for the project will be defrayed from City Planning Consultants Vote for 2015/2016, and for 2016/2017 and 2017/2018 financial years funding will be provided for by Real Estate Department.

Project 3: Regularisation of unproclaimed townships

There are over 200 townships which township establishment procedures were not completed at the time that the townships were established. The aim is to complete all the processes so that the townships are fully established and registered. This will enable the communities in the townships to obtain freehold titles to their properties and therefore to use them as tradable assets. The EMM will also be able to develop and/or dispose of municipal land within the townships. In addition the EMM will obtain valuable data relating to land use contraventions such as illegal development, encroachments, etc.

To date, the Department has fully completed three townships, with an additional 12 in various stages of progress. It is estimated that at the end of the financial year, 24 townships will be completed, including those carried over from last year. Total cost for 24 townships is approximately R4.8 m.

Because of experience and improved staffing, the department hopes to achieve a rate of 50 townships per year beginning in 2015/16, at a cost of R10m per year for the next four years, leading to completion of the project.

Project 4: Development Ekurhuleni Town Planning Scheme

Public participation on the draft Town Planning Scheme has been completed. Comments from the public participation process were considered and incorporated into the scheme's clauses. The report to Council for final approval of the scheme's clauses and zoning maps has been completed and is in the process of going to Council for approval.

Once Council approval is obtained, the scheme can be proclaimed and all previous schemes be rescinded, then the new scheme can come into operation.

Estimated Budget:

-Printing of scheme clauses	-	R200 000
- Printing of manuals	-	R200 000
- Workshops	-	R200 000
-Proclamation of scheme document	-	R200 000
Total	=	R800 000

Project 5: Development and Implementation of the Capital Investment Framework (CIF)

The CIF aims to drive CAPEX spend within defined geographic priority areas within the metro thus having a catalytic effect with regards to return on investment in relation to social and developmental objectives for the metro. Thus far economists have been appointed to economic modelling and as well as to develop a capital prioritisation model which will be utilised to assess all capex projects on the municipal budget.

Project 6: Development of the Built Environment Framework (BEPP)

The built environment framework is a legislated document as described in the Division of Revenue Act, which seeks to assess and evaluate the development of the built environment fabric of the city and the impact thereof of major projects which utilise grant funding.

Through National Treasuries Urban Network Programme, the BEPP in future will seek to drive grant spending around transit orientated frameworks such as the Urban Network Plan. Outcomes based assessment of the funding and restructuring of the city will occur through the BEPP indicators. A tender has been initiated to help facilitate the BEPP process.

Project 7: Driving Strategic Urban Development Projects

The department through the Specialist Projects Division has undertaken to drive catalytic strategic urban development projects which would have a substantial effect on the economy of the region. A number of projects have been identified by the HOD: City Planning and project profiling is currently underway for each of them.

The Operating Budget per category is attached hereto.

Table 63 Operating Budget of the City Planning Department

EKURHULENI METROPOLITAN MUNICIPALITY										
CITY PLANNING										
FINANCIAL PERIOD	F00 R'000 ORG BUDGET	F00 R'000 ADJ BUDGET	F00 R'000 YEAR TO DATE	F00 R'000 PROJECTED	F01 R'000 2015/16	% B to B	% P to B	% Of Total	F02 R'000 2016/17	F03 R'000 2017/18
INCOME										
LICENSES AND PERMITS	37,130	30,847	22,440	28,644	35,280	14.37%	23.17%	43.20%	37,926	40,771
National Operating Grant	40,323	48,380	19,354	48,380	43,194	-10.72%	-10.72%	52.89%	41,627	45,577
Sub-Total: OPERATING GRANTS	40,323	48,380	19,354	48,380	43,194	-10.72%	-10.72%	52.89%	41,627	45,577
SUNDRY INCOME	3,349	3,349	2,305	3,169	3,197	-4.53%	0.89%	3.91%	3,373	3,559
TOTAL OPERATING INCOME	80,802	82,576	44,099	80,193	81,672	-1.09%	1.84%	100.00%	82,926	89,906
NET OPERATING INCOME	80,802	82,576	44,099	80,193	81,672	-1.09%	1.84%	100.00%	82,926	89,906
EXPENDITURE										
Employee Related Costs - Salaries & Wages	121,580	119,684	85,972	120,583	132,286	10.52%	9.71%	53.73%	140,885	149,338
Employee Related Costs - Overtime	140	140	162	228	147	5.12%	-35.41%	0.06%	157	166
Employee Related Costs - Social Contributions	26,866	26,866	18,648	25,946	28,389	5.67%	9.41%	11.53%	30,234	32,048
Less: Employee Related Costs - Salaries Capitalised	(307)	(307)	-	(96)	(307)	0.00%	218.08%	-0.12%	(327)	(346)
Sub-Total: REMUNERATION	148,279	146,393	104,782	146,660	160,515	9.65%	9.45%	65.19%	170,949	181,206
DEPRECIATION	1,083	1,083	812	1,083	1,118	3.26%	3.26%	0.45%	1,152	1,192
Repairs and Maintenance - External Contractors	22,777	22,762	20,803	44,982	22,712	-0.22%	-49.51%	9.22%	23,961	25,279
Repairs and Maintenance - Internal Maintenance Teams	194	194	139	185	210	8.50%	13.66%	0.09%	224	238
Sub-Total: REPAIRS AND MAINTENANCE	22,971	22,956	20,942	45,167	22,922	-0.15%	-49.25%	9.31%	24,185	25,516
CONTRACTED SERVICES	346	408	160	263	374	-8.35%	42.46%	0.15%	395	426
GENERAL EXPENSES	25,143	25,217	8,986	16,742	18,043	-28.45%	7.77%	7.33%	18,417	18,816
OPERATING GRANTS EXPENDITURE	40,323	48,380	19,354	48,347	43,194	-10.72%	-10.66%	17.54%	41,627	45,577
TOTAL OPERATING EXPENDITURE	238,144	244,437	155,035	258,261	246,167	0.71%	-4.68%	99.98%	256,725	272,733
Internal Charges	45	45	40	45	51	13.43%	11.27%	0.02%	56	63
NET OPERATING EXPENDITURE	238,189	244,481	155,075	258,307	246,217	0.71%	-4.68%	100.00%	256,781	272,796
OPERATING SURPLUS/(DEFICIT)	(157,386)	(161,906)	(110,976)	(178,113)	(164,546)	1.63%	-7.62%		(173,854)	(182,890)
Total Transfers from Cash-Backed Reserves	889	889	667	889	667	-25.00%	-25.00%		445	222
NET OPERATING SURPLUS/(DEFICIT)	(156,497)	(161,017)	(110,309)	(177,224)	(163,879)	1.78%	-7.53%		(173,410)	(182,667)

Capital Budget of the City Planning Department

An amount of R4.4m for 2015/16, R4.8m for 2016/17 and R3.5m for the 2017/18 financial years have been provided for operational equipment for the City Planning Department.

The department has requested the following Capital Budget:

Department	Project Name	Capitalisation Investment Framework Category	CCA	Ward/s in which project is located	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
City Planning	ICT Equipment	Upgrading and Renewal	Operational Equipment	Operational Equipment	2,700,000	3,000,000	2,000,000
City Planning	Office Furniture	Upgrading and Renewal	Operational Equipment	Operational Equipment	300,000	300,000	300,000
City Planning	Other Equipment	Upgrading and Renewal	Operational Equipment	Operational Equipment	200,000	200,000	200,000
City Planning	Specialised Vehicles	Upgrading and Renewal	Operational Equipment	Operational Equipment	600,000	600,000	600,000
City Planning	Specialized Equipment	Upgrading and Renewal	Operational Equipment	Operational Equipment	400,000	400,000	400,000
City Planning	Vehicles	Upgrading and Renewal	Operational Equipment	Operational Equipment	200,000	300,000	-
					4,400,000	4,800,000	3,500,000

2.10.4 COMMUNICATION & BRANDING DEPARTMENT

Key Strategic Projects of the Communication and Branding

Operational Budget

Key strategic projects of the Communication and Brand Management Department

Strategic objective 1: **A clear single brand identity**

PROJECT NAME	PROJECT DESCRIPTION
A clear single brand identity	This objective is about tracking the brand promotion interventions implemented during the reporting period in pursuit of a clear single brand identity. The unit of analysis is the "brand promotion interventions", and the unit of measure is the "number of brand promotions interventions implemented".

Description

Signage

R4.5m has been budgeted for the production, printing and branding of all municipal buildings and vehicles. In addition destination and directional signs will also be produced. Another project to be undertaken will be the branding of strategic places identified around the City.

Brand Building / Advertising campaigns

An amount of R15m has been budgeted for the following:

Two core brand campaigns (brand achievements and Siyakhokha) will be rolled out on an annual basis.

Other major awareness/publicity campaigns include State of the City address, Budget Speech, Chris Hani month, OR Tambo month. In addition to the corporate campaigns, the department also contributes towards key departmental campaigns of which the bulk of the budget is made available by the service department. R7.3m has been budgeted for this.

Corporate identity roll out

Corporate identity provides guidelines on the application of the brand. An important aspect of this is the staff education component (internal workshops/road-shows).

An amount of R1.3m has been put aside for internal reputation management.

Exhibitions

Ekurhuleni promotes the region by participation in various exhibitions locally and international. These create a platform which allow for stakeholder engagements and partnerships. These include IMFO conference, SALGA conference, ACE conference,

Harbin China, BRICS and other smaller exhibitions. These are either attended by or hosted by the Metro. An amount of R1.2m is budgeted per annum.

Stakeholder engagement

Brand partnerships are developed with various stakeholders in Ekurhuleni, for example events hosted by key partners such as the Birchwood Hotel, Carnival City and Emperors Palace. These relationship building platforms give us the opportunity to cement stakeholder relations.

These key destinations also position the City of Ekurhuleni as an entertainment hub.

An amount of R1.6m is budgeted on an annual basis.

Strategic objective 2: Enhanced City stakeholder relations

PROJECT NAME	PROJECT DESCRIPTION
Enhanced City stakeholder relations	This strengthens existing platforms and also create new ones. It includes coordination of integrated stakeholder engagements.

Description

Examples of some of the platforms:

- City meets business
- Sectoral round table engagements
- Employee roadshows
- EMM radio station
 - 2014/15 Piloting the EMM radio station to an amount of R1m
 - 2015/16 Launch of the EMM Radio station to an amount of R2m

Table 64 Operating Budget of the Communication & Branding Department

EKURHULENI METROPOLITAN MUNICIPALITY											
COMMUNICATIONS AND BRAND MANAGEMENT											
FINANCIAL PERIOD D MANAGEMENT	F00 R'000	F00 R'000	F00 R'000	F00 R'000	F00 R'000	F01 R'000	% B to B	% P to B	% Of Total	F02 R'000	F03 R'000
	ORG BUDGET	ADJ BUDGET	YEAR TO DATE	PROJECTED	2015/16					2016/17	2017/18
EXPENDITURE											
Employee Related Costs - Salaries & Wages	32,293	31,536	20,294	28,464	34,367	8.98%	20.74%	37.78%		36,601	38,797
Employee Related Costs - Overtime	155	155	498	698	165	6.80%	-76.34%	0.18%		176	186
Employee Related Costs - Social Contributions	4,694	4,694	3,120	4,341	6,739	43.55%	55.24%	7.41%		7,177	7,607
Sub-Total: REMUNERATION	37,142	36,385	23,912	33,503	41,271	13.43%	23.19%	45.37%		43,953	46,590
DEPRECIATION											
Repairs and Maintenance - External Contractors	291	291	218	291	301	3.26%	3.26%	0.33%		310	320
Repairs and Maintenance - Internal Maintenance Teams	205	225	149	322	193	-14.21%	-40.04%	0.21%		204	215
Sub-Total: REPAIRS AND MAINTENANCE	241	261	174	356	232	-11.09%	-34.85%	0.25%		245	259
CONTRACTED SERVICES	145	145	80	132	145	0.00%	9.67%	0.16%		153	165
GENERAL EXPENSES	54,083	53,860	10,869	20,250	49,010	-9.01%	142.03%	53.88%		49,661	50,356
TOTAL OPERATING EXPENDITURE	91,902	90,942	35,253	54,532	90,958	0.02%	66.80%	100.00%		94,322	97,691
NET OPERATING EXPENDITURE	91,902	90,942	35,253	54,532	90,958	0.02%	66.80%	100.00%		94,322	97,691
OPERATING SURPLUS/(DEFICIT)	(91,902)	(90,942)	(35,253)	(54,532)	(90,958)	0.02%	66.80%			(94,322)	(97,691)
Total Transfers from Cash-Backed Reserves	101	101	76	101	76	-25.00%	-25.00%			50	25
NET OPERATING SURPLUS/ (DEFICIT)	(91,801)	(90,841)	(35,178)	(54,431)	(90,882)	0.05%	66.97%			(94,272)	(97,666)

Capital Budget of the Communications and Brand Management Department

An amount of R820 000, 00 for 2015/16, R450 000, 00 for 2016/17 and R350 000, 00 for the 2017/18 financial years have been provided for operational equipment for the Communications and Brand Management Department.

This will mainly include furniture and ICT equipment for additional staff that will be appointed.

Capital Budget of the Communication and Branding

Department	Project Name	Capitalisation Investment Framework Category	CCA	Ward/s in which project is located	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
Communication and Brand Management	ICT Equipment	Upgrading and Renewal	Operational Equipment	Operational Equipment	200,000	200,000	250,000
Communication and Brand Management	Office Furniture	Upgrading and Renewal	Operational Equipment	Operational Equipment	200,000	200,000	20,000
Communication and Brand Management	Other Equipment	Upgrading and Renewal	Operational Equipment	Operational Equipment	70,000	50,000	80,000
Communication and Brand Management	Vehicles: two seats or less	Upgrading and Renewal	Operational Equipment	Operational Equipment	350,000	-	-
					820,000	450,000	350,000

2.10.5 CORPORATE LEGAL SERVICES

The Corporate Legal Services Department contributes to ALL GDS imperatives with a strong focus being on GDS THERMATIC AREA 4 – Effective Corporate Governance through being an enterprise that drives legal compliance and specialized legal advisory services that cut across EMM Departments and its Entities, with proper governance systems and processes focusing on promoting good governance. The focus is on all legal matters of Council in specialised fields such as Supply Chain Management, Intellectual Property, Housing and Development, Contract and Compliance Management, Municipal Court operations, Infrastructure, Legal Research, Departmental Legal Support and Specialised Litigation.

The Department's main objective is to institutionalise legal compliance guided by the following principles:

- To create a regulatory environment that enhances the capacity of the municipality to deliver consistent and qualitative legal advisory services;
- To ensure compliance with legislation applicable to Local Government throughout the EMM and municipal Entities
- To review the improvement and expansion of the governance model support to facilitate the implementation of the separation of powers;
- To strengthen the legal support service to the organization;
- To increase levels of legal compliance throughout the EMM and within its Entities, and
- To manage and reduce legal costs on cases by and against Council

Key Strategic Projects of the Corporate Legal Services Department

PROJECT NAME	PROJECT DESCRIPTION
Establish a functional Office of the Municipal Ombudsman	To establish the Office of the Municipal Ombudsman - a mechanism for the speedy and effective resolution of disputes and queries on service delivery
Establishment of a Municipal Court system for the EMM	Establishment of at least four (4) fully operational Municipal Courts in the newly proclaimed Magisterial areas in Ekurhuleni located at Kempton Park, Benoni, Palm Ridge and Springs which will cater for enforcement of traffic offences and by-law contraventions.

Operating Budget of the Corporate Legal Services Department

By the nature of its core business, the Department is not an income-generating Unit for the Metro and therefore its Operating Budget is primarily focused on the expenditure component. It should be indicated, however, that there is income generated by the Department, in the form of sundry income derived mainly from legal cost recoveries.

The expenditure component is comprised of various cost drivers i.e. general expenses, contracted services, compensation of employees, repairs and maintenance (external and internal) and Grants-in-Aid categories. The major drivers are compensation of employees and contracted service categories. The biggest single cost item is Contracts: Legal Services, rooted in the contracted services category spent on Legal Fees for attorneys contracted from Council's Contract on the Panel of Attorneys in the defense in Court of legal cases by and against Council. Legal fees, unpredictable by nature, significantly escalated

during the past nine financial years and this has been identified as an area where the Department should continue developing and applying very stringent cost management mechanisms. One such key control mechanism is the legal accounts control register. This however should not be read to mean that the focus will be on cost cutting but rather on value for money. The more compliance legislation is promulgated, the more legal costs will go up due to stringent requirements that the municipality must comply with legislation and appropriate policy frameworks. The connotation is that quality and efficient legal advice should take precedence over the significance of cost cutting. The schedule below illustrates the legal costs quantum leap patterns over the period in question.

Financial Year	Actual Expenditure R		Financial Year	Budgeted Expenditure R
2006/2007	8,125,988		2014/2015	50,000,000
2007/2008	11,655,800		2015/2016	46,000,000
2008/2009	13,745,556		2016/2017	48,530,000
2009/2010	12,801,287		2017/2018	52,412,400
2010/2011	21,852,032			
2011/2012	33,382,114			
2012/2013	56,407,892			
2013/2014	41,231,614			

The size and frequency of legal expenditure is informed by the number and magnitude of legal cases by and against Council. Partially, the costs are driven by the duration of cases, which is mostly informed by the level of complexity of matters before the Court and Court processes. These are key factors which may invariably result in a legal case going beyond a Financial Year. Legal costs are a direct result of actions/omissions by different client Departments as cases emanate therefrom. Further, Legal Advisors in Council's employ are not allowed to appear on behalf of the EMM in Court, hence the sourcing of external lawyers but, the Corporate Legal Services Department manages all aspects of the case. The Department also ensures value for money on legal costs through a Due Diligence study currently in process and the finalisation of a Case Management Framework which is in draft form. These mechanisms will assist to highlight litigation triggers, generate management reports to analyse disputes, enable the management of the performance of contracted external lawyers, critical appraisal of services rendered to client Departments and cooperation from client Departments, amongst others.

Table 65 Operating Budget of the Corporate Legal Services Department

EKURHULENI METROPOLITAN MUNICIPALITY											
CORPORATE LEGAL											
FINANCIAL PERIOD		F00 R'000 ORG BUDGET	F00 R'000 ADJ BUDGET	F00 R'000 YEAR TO DATE	F00 R'000 PROJECTED	F01 R'000 2015/16	% B to B	% P to B	% Of Total	F02 R'000 2016/17	F03 R'000 2017/18
INCOME											
RENT OF FACILITIES AND EQUIPMENT		-	-	1,201	1,601	2,608	100.00%	62.87%	36.30%	2,816	3,042
SUNDRY INCOME		3,735	3,735	2,650	3,642	4,577	22.56%	25.66%	63.70%	4,829	5,094
TOTAL OPERATING INCOME		3,735	3,735	3,850	5,243	7,185	92.38%	37.02%	100.00%	7,645	8,136
NET OPERATING INCOME		3,735	3,735	3,850	5,243	7,185	92.38%	37.02%	100.00%	7,645	8,136
EXPENDITURE											
Employee Related Costs - Salaries & Wages		119,804	117,606	83,560	117,199	124,608	5.95%	6.32%	39.29%	132,708	140,670
Employee Related Costs - Overtime		2,673	2,673	2,028	2,845	2,854	6.76%	0.33%	0.90%	3,040	3,222
Employee Related Costs - Social Contributions		30,588	30,588	20,223	28,138	30,045	-1.77%	6.78%	9.47%	31,998	33,918
Less: Employee Related Costs - Salaries Capitalised		(50)	(50)	-	(16)	(50)	0.00%	218.09%	-0.02%	(53)	(57)
Sub-Total: REMUNERATION		153,015	150,817	105,811	148,166	157,458	4.40%	6.27%	49.65%	167,692	177,754
DEPRECIATION		1,802	1,802	1,351	1,802	1,860	3.26%	3.26%	0.59%	1,916	1,983
Repairs and Maintenance - External Contractors		3,734	3,649	1,410	3,048	3,745	2.63%	22.85%	1.18%	3,951	4,168
Repairs and Maintenance - Internal Maintenance Teams		713	2,107	1,830	2,439	773	-63.30%	-68.30%	0.24%	824	873
Sub-Total: REPAIRS AND MAINTENANCE		4,447	5,756	3,239	5,488	4,518	-21.50%	-17.67%	1.42%	4,774	5,041
CONTRACTED SERVICES		54,544	54,436	33,130	54,537	49,264	-9.50%	-9.67%	15.53%	51,973	56,131
Grants & Subsidies Paid - Social/Educational/Sports		6,925	6,925	2,825	4,192	23,023	232.46%	449.21%	7.26%	24,289	25,625
Sub-Total: Grants and Subsidies		6,925	6,925	2,825	4,192	23,023	232.46%	449.21%	7.26%	24,289	25,625
GENERAL EXPENSES		8,339	9,354	4,461	8,311	11,630	24.32%	39.93%	3.67%	9,793	9,965
TOTAL OPERATING EXPENDITURE		229,072	229,089	150,817	222,496	247,752	8.15%	11.35%	78.12%	260,438	276,499
Internal Charges		61,606	61,606	174,496	199,704	69,384	12.63%	-65.26%	21.88%	77,076	85,463
NET OPERATING EXPENDITURE		290,678	290,696	325,314	422,200	317,136	9.10%	-24.88%	100.00%	337,513	361,962
OPERATING SURPLUS/(DEFICIT)		(286,944)	(286,961)	(321,463)	(416,957)	(309,951)	8.01%	-25.66%		(329,868)	(353,826)
Total Transfers from Cash-Backed Reserves		1,040	1,040	780	1,040	780	-25.00%	-25.00%		520	260
NET OPERATING SURPLUS/ (DEFICIT)		(285,904)	(285,921)	(320,683)	(415,916)	(309,171)	8.13%	-25.67%		(329,348)	(353,566)

Capital Budget of the Corporate Legal Services Department

The Capital Budget of Corporate Legal Services Department is essentially meant for procuring tools of trade required to render corporate support services to EMM client Departments and is thus not direct service delivery orientated. The budget allocation is therefore relative small. The budget allocation for the current Financial Year is R4, 932, 600.

For each of the Financial Years 2015/16, 2016/17 and 2017/18, the budget amounts of R1,400,000, R570,000 and R700,000 respectively have been requested to make provision for procuring ICT equipment, office furniture, specialised equipment and vehicles.

The department has requested the following Capital Budget:

Department	Project Name	Capitalisation Investment Framework Category	CCA	Ward/s in which project is located	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
Corporate Legal Services	Departmental ICT Equipment	Upgrading and Renewal	Operational Equipment	Operational Equipment	1,000,000	250,000	200,000
Corporate Legal Services	Departmental Office Equipment	Upgrading and Renewal	Operational Equipment	Operational Equipment	200,000	170,000	50,000
Corporate Legal Services	Specialised Equipment	Upgrading and Renewal	Operational Equipment	Operational Equipment	200,000	150,000	200,000
Corporate Legal Services	Vehicles	Upgrading and Renewal	Operational Equipment	Operational Equipment	-	-	250,000
					1,400,000	570,000	700,000

2.10.6 CUSTOMER RELATIONS MANAGEMENT DEPARTMENT

Customer Relations Management Department, which is a relatively new department, was established with the main objective of managing the customer relations within Ekurhuleni Metropolitan Municipality (EMM). The main objective of the department is to provide seamless customer service throughout the City and promote open communication between the City and its residents and customers by encouraging an interactive participatory governance. To that end the City has a fully capacitated non-life threatening Call Centre and Customer Care Centres (CCCs) that are perfect platforms for promoting an accessible consultative and caring local government for the residents.

Key Strategic Projects of the Customer Relations Management Department

The Customer Relations Management Department is busy with the on-going establishment and refurbishment of the CCCs that are dotted across the Metro. The core benefits of these projects and thus the CCCs which are geographically distributed throughout the Metro includes:

- Providing an integrated service offering across EMM communities;
- Improved efficiency and effectiveness of delivering municipal services;
- Improved ability to establish relationships with customers and influence full payment for services, thus ensuring EMM profitability (100% revenue collection);
- Individualized marketing messages (evoking a sense ownership and loyalty);
- Improved revenue collection;

Some of the projects currently being undertaken with the Metro's CCCs, some of which will rollover into the 2015/16 financial year, are as follows:

Project Name	Brief Description	Project Status/Progress
CCA Brownfields Upgrades (Benoni, Boksburg, Brakpan, Germiston, Kempton Park & Springs CCC)	Additions and alterations to the CCCs.	All projects are scheduled for completion by June 2015 with the exception of the Kempton Park CCC which will rollover into the 2015/16 financial year.
Daveyton Building Upgrade	Building upgrade of the Daveyton Customer Care Centre	The project was initially divided into two phases because of inadequate funding. Phase one will be completed in June 2015 with phase two scheduled for completion at the end of June 2016
Nigel Building Upgrade	Additions and alterations to the Nigel Customer Care Centre and rates hall.	The project is under construction and it is anticipated that it will be completed in March 2015.
Tembisa 2/ Winnie Mandela New Building	New Customer Care Centre built in Tembisa 2 / Winnie Mandela	The project is under construction and will be completed in June 2015
Unified Command Centre	The UCC is the pillar of the EMM Digital City Strategy that is fundamental to the realization of achieving a Smart City with public services more integrated.	R7.012m was rolled over in the 2014/15 financial for CRM to complete the initial stages of the project which includes additional furniture, ICT equipment, call centre space and network points as well as the capacitation of a correspondence office to handle emails, faxes, presidential hotline queries, provincial hotline queries and escalated calls from CM, EM etc. A work force management system that will assist in the scheduling of Call Centre agents for different shifts in the non-life threatening Call Centre is also required. This procurement will be finalised by June 2015. The R10m funding approved in the 2014/15 financial year will be transferred to ICT for the next phase of the project.
Vosloorus Building Upgrade	Additions and alterations to the Vosloorus Customer Care Centre and rates hall	The project is scheduled to be completed by the end of November 2014

Operating Budget of the Customer Relations Management Department

Customer Relations Management Department is not a revenue generating department but serves as the link/conduit between the customers/residents of EMM and all other departments with the primary focus being placed on effective service delivery and the resolution of customer queries and complaints.

In addition, CRM oversees the holding of Izimbizos and the day to day operational responsibility of the Lungile Mtshali Community Development Project (LMCDP) which is currently one of the major cost driver of the operating budget of the Department.

Table 66 Operating Budget of the Customer Relations Management

EKURHULENI METROPOLITAN MUNICIPALITY											
CUSTOMER RELATIONS MANAGEMENT											
FINANCIAL PERIOD		F00	F00	F00	F00	F01	%	%	%	F02	F03
SEGMENT		R'000	R'000	R'000	R'000	R'000	B to B	P to B	Of Total	R'000	R'000
INCOME		ORG BUDGET	ADJ BUDGET	YEAR TO DATE	PROJECTED	2015/16				2016/17	2017/18
SUNDRY INCOME		-	-	702	965	-	0.00%	0.00%	0.00%	-	-
TOTAL OPERATING INCOME		-	-	702	965	-	0.00%	0.00%	0.00%	-	-
NET OPERATING INCOME		-	-	702	965	-	0.00%	0.00%	0.00%	-	-
EXPENDITURE											
Employee Related Costs - Salaries & Wages		50,409	48,810	35,182	49,345	99,970	104.81%	102.59%	30.93%	106,468	112,856
Employee Related Costs - Overtime		95	389	192	269	360	-7.51%	33.73%	0.11%	383	406
Employee Related Costs - Social Contributions		7,109	7,109	4,929	6,858	24,352	242.53%	255.07%	7.53%	25,935	27,491
Less: Employee Related Costs - Salaries Capitalised		(1,751)	(1,751)	-	(550)	(1,751)	0.00%	218.09%	-0.54%	(1,865)	(1,976)
Sub-Total: REMUNERATION		55,863	54,558	40,303	55,922	122,931	125.32%	119.82%	38.03%	130,922	138,777
DEPRECIATION		60,705	60,705	45,529	60,705	62,687	3.26%	3.26%	19.39%	64,567	66,827
Repairs and Maintenance - External Contractors		5,620	5,483	1,084	2,343	5,862	6.90%	150.16%	1.81%	6,184	6,524
Repairs and Maintenance - Internal Maintenance Teams		476	528	379	505	516	-2.16%	2.22%	0.16%	550	583
Sub-Total: REPAIRS AND MAINTENANCE		6,096	6,011	1,462	2,848	6,378	6.10%	123.93%	1.97%	6,734	7,107
CONTRACTED SERVICES		2,284	2,042	662	1,089	3,469	69.86%	218.50%	1.07%	3,659	3,952
GENERAL EXPENSES		113,661	118,157	56,725	105,687	127,767	8.13%	20.89%	39.53%	128,041	128,331
TOTAL OPERATING EXPENDITURE		238,610	241,473	144,681	226,252	323,232	33.86%	42.86%	100.00%	333,924	344,994
NET OPERATING EXPENDITURE		238,610	241,473	144,681	226,252	323,232	33.86%	42.86%	100.00%	333,924	344,994
OPERATING SURPLUS/(DEFICIT)											
Total Transfers from Cash-Backed Reserves		(238,610)	(241,473)	(143,979)	(225,287)	(323,232)	33.86%	43.48%		(333,924)	(344,994)
		556	556	417	556	417	-25.00%	-25.00%		278	139
NET OPERATING SURPLUS/ (DEFICIT)		(238,055)	(240,918)	(143,563)	(224,732)	(322,815)	33.99%	43.64%		(333,646)	(344,855)

Capital Budget of the Customer Relations Management

An amount of R17.85m for 2015/16, R850 000 for 2016/17 and R850 000 for the 2017/18 financial years have been provided for the Customer Relations Management Department.

The department has requested the following Capital Budget:

Department	Project Name	Capitalisation Investment Framework Category	CCA	Ward/s in which project is located	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
Customer Relations Management	CCA Brownfields Upgrades	Upgrading and Renewal	Kempton Park	17	8,000,000	-	-
Customer Relations Management	Daveyton Building Upgrade	Upgrading and Renewal	Daveyton	70	5,000,000	-	-
Customer Relations Management	ICT Equipment	Upgrading and Renewal	Operational Equipment	Operational Equipment	400,000	400,000	400,000
Customer Relations Management	Office Furniture	Upgrading and Renewal	Operational Equipment	Operational Equipment	450,000	450,000	450,000
Customer Relations Management	Tembisa 2/ Winnie Mandela New Building	Upgrading and Renewal	Tembisa 2	89	4,000,000	-	-
					17,850,000	850,000	850,000

2.10.7 DISASTER AND EMERGENCY MANAGEMENT SERVICES (DEMS)

The result statements of the department are contained in the IDP in Annexure A.

Disaster and Emergency Management Services Department provides the following services to the community of Ekurhuleni:

- Fire fighting
- Fire safety
- Rescue services
- Emergency medical services
- Handling of hazardous material incidents
- Emergency Operations Centre
- Disaster management

Key Strategic Capital Projects of the Disaster and Emergency Management Services Department

NAME OF THE PROJECT	BRIEF DESCRIPTION
Construction of Duduza Fire Station	The construction of Duduza Fire Station which is located in Ward 87 is due for completion by 30 June 2015. It is intended to service the communities of Duduza, Jameson Park and Alra Park.
Katlehong Fire Station	Katlehong is one of the Township that has no purposeful built Fire Station. Katlehong Fire Station will commence in 2015/16 with planning at an amount of R1, 55m. The project is then provided in multi-year budgets at R6m in 2016/17 and R18m in 2017/18.
Elandsfontein/Isando Fire Station	Elandsfontein/Isando Fire Station will commence in 2015/16 with planning at amount of R1m This Fire Station is located at an industrial areas to

NAME OF THE PROJECT	BRIEF DESCRIPTION
	protect the manufacturing sector which creates the much needed jobs and sustain the economy in Gauteng. Further amounts of R 2m and R10m are provided for construction in 2016/17 and 2017/18 respectively.
Replacement of aged specialised emergency vehicles	In terms of the Council policy (Community Protection against Fire), the City is bound to have replacement programme of its Emergency vehicles. Amounts of R30m, R30m and R32m is set aside in 2015/16, 2016/17 and 2017/18 respectively. These vehicles are deployed at all the 28 Fire Stations of the City according to need.
Construction of a fire station in Thokoza.	Thokoza has no purpose-built fire station and operations are undertaken from a temporary facility at the Multipurpose Centre. This project commenced during the 2014/15 financial year and will be completed in the 2016/17 financial year. There is an amount of R16, 5m and R18m in the two financial years respectively.
Establishment of a fire station in KwaThema.	There is no fire station in KwaThema. Response to emergency incidents is from the Selection Park Fire Station, which is a distance from the area. It is a multi-year project which will be completed in 2015/2016 financial year. Construction of KwaThema Fire Station is part of the city's programme of eradicating service delivery backlogs and inequalities in the receipt of services. There is an amount of R9m set aside in 2015/16 Financial.
Construction of the Germiston Fire Station.	The construction of the new fire station in Germiston commenced in 2014/15 financial year as part of Germiston Urban Renewal Programme. The current fire station is more than 100-years-old and it's not feasible to maintain. It's thus being preserved as a museum. It's a multi-year project to be completed in 2015/16. There is an amount of R15m set aside in this financial year and R6.2m in 2016/17 its year of completion.
Construction of the Albertina Sisulu Corridor Fire Station.	This fire station will be situated at the heart of the Aerotropolis. There are huge economic developments coming up in that corridor and the Kempton Park Fire Station, which is far from this area, is already not coping under the current circumstances. An amount of R12m is set aside during the 2016/17 financial year and R17m in 2016/17.
Construction of the Olifantsfontein Fire Station.	This Fire Station is currently operating from a temporary facility. This is one of the Fire Stations that was inherited from the City of Johannesburg after the first Local Government demarcation in the democratic dispensation. The Fire Station is covering part of Tembisa and Olifantsfontein Industrial area. The amounts set aside to commence a new Fire Station as a multi-year project are: R1,200,000m, R2,000,000m and R10,000,000m in 2015/15, 2016/17 and 2017/18 respectively.
Emergency Services Training Academy	The Training Academy currently located near East Rand Mall have been encapsulated by developments such that it can no longer operate effectively. When it was build many years ago, that area was outside the urban edge. Developments encroached and enclosed it. In terms of environmental legislation, fire simulators can no longer be operated in that area. It needs to be relocated to an appropriate industrial area or outside the urban edge. The amounts of R2,000,000m and R3,000,000m have been made available for planning purpose in 2016/17 and 2017/18 respectively. It is a huge project that will take more than an MTREF period to complete.

Capital Budget Upgrading and Renewal Projects

The Disaster & Emergency Management Services Department is currently having 28 Fire Stations, Disaster Management Satellite Offices and other facilities strategically spread over the area to provide equitable coverage. Some of these facilities have been in place for many years and now require to be upgraded and renewed. The following facilities will have funds set aside for this purpose:

NAME OF FACILITY	MTREF BUDGET		
	2015/16	2016/17	2017/18
Alberton Fire Station	R800,000	R1,200,000	-
Benoni Central Fire Station	R600,000	R600,000	-
Commercial Fire Station	R600,000	-	-
Edenvale Fire Station	R600,000	R1,200,000	-
Kempton Park Fire Station	R800,000	R1,000,000	-
Primrose Fire Station	R600,000	-	-
Vosloorus Fire Station	R300,000	R4,000,000	-
Old Germiston Fire Station (Museum)	R1,000,000	R2,000,000	-
Be SAFE Centre	R2,400,000	-	-
Radio Technical Workshop	R1,500,000	-	-
Farramere Fire Station	R1,000,000	R8,000,000	-
Refurbishment of other facilities	R2,250,000	R7,900,000	

Upgrading and Renewal of Specialised Equipment, Equipment, Vehicles Furniture

NAME OF ITEM	MTREF BUDGET		
	2015/16	2016/17	2017/18
Specialised & Other Equipment	R10,200,000	R20,770,000	R25,940,000
Two Way Radio Communication Equipment & Repeater Sites	R800,000	R1,000,000	R2,000,000
Vehicles	R3,050,000	R4,300,000	R1,600,000
Office Furniture	R920,000	R1,400,000	R2,200,000
ICT Equipment	R2,450,000	R1,400,000	R2,000,000

Operating Budget of the Disaster and Emergency Management Services Department

This department is also partly funded by the Gauteng Provincial Government for the provision of ambulance services. The majority of the department's costs are subsidised by assessment rates.

The main cost drivers are salaries and cost of provision of emergency services. The emergency services section operates on a 24/7 basis increasing the salary cost.

The provision of funds for disasters and emergency management is done within this cost centre. Disasters are dealt with as follows, in terms of the MFMA. Section 12 of the MFMA outlines the process of setting up relief funds to deal with disasters. The process to develop a disaster management funding model for the city, to ensure that both proactive and reactive activities of disaster management are catered for sufficiently, is underway as part of the SDBIP targets. The following conditions apply:

- The bank account must be in the name of the municipality.
- Only the City Manager may be the accounting officer of the fund.
- Funds must be paid into either the municipality's bank account, or the new account opened for the specific purpose.
- Funds may be withdrawn from the special purpose account WITHOUT it being appropriated in a budget, but only with the written authority of the accounting officer

acting in accordance with a Council decision and for the purposes that the funds were deposited into the account.

Section 29 of the MFMA deals with the process related to unforeseen and unavoidable expenditure. The mayor can authorise expenditure in an emergency or other exceptional circumstances, for unforeseeable and unavoidable expenditure for which no provision was made in an approved budget. Such expenditure:

- Must be reported by the mayor to the municipal council at its next meeting.
- Must be appropriated in an adjustments budget within 60 days after the expenditure was incurred.

There is however a need to have a model for funding disaster management in the city which is under investigation. The model is meant for completion by the end of 2014/15 as per the SDBIP.

In addition, Council has catastrophe insurance in the case of natural disasters. Cover is limited to council-owned property and third party liability. There is no cover for privately-owned property.

However Council sets aside an amount of R13.0m which is 0.044% of the Direct Operating Budget Expenditure for the purpose of managing disasters in the City for 2015/16. This fund is located within the Finance department and is unlocked during disasters to provide emergency relief.

The metro's declared asset values for assets that are insurable amounts to R34 billion. Excluded from these declared values, and subsequently cover thereon, are items such as roads, bridges, water and sewer network and electricity network (because you can either not source cover for these items or if you could it would simply be too expensive), however items such as sub stations, pump stations (in other words, machinery-related) are covered.

Cover is capped at R1.5 billion for any single event. Events covered are:

Fire and allied perils - which means fire, spontaneous combustion, spontaneous fermentation, spontaneous charring, spontaneous heating, lightning, thunderbolt, explosions, implosions, earthquakes and tremors, riot and strike, malicious damage, volcanic eruptions, subsidence and landslip, and acts of authorities.

Special perils - which means storm, wind, snow, water, hail, aircraft or other aerial devices or articles dropped therefrom, impact by vehicles (including railway) or animals, falling trees, accidental leakage from tanks, pipes etc.

Key Strategic OPEX Programmes of the Disaster and Emergency Management Services Department

The City is required to undertake disaster risks and vulnerability assessment every five years to guide disaster planning and risk reduction efforts. During 2014/15, the City provided R4, 1m for the department to commence this process. This process will be completed in 2015/16 Financial year during which a further amount of R4m is made available.

Continuous maintenance of Fire Hydrants to ensure effective Fire Fighting activities by our firefighting crews cannot be forgotten. A Fire Hydrants Maintenance Programme for the City of Ekurhuleni will commenced during the 2014/15 financial year. An amount of R15m had been set aside in 2014/15 Financial year to continue with this programme. This programme will see +- 208 unemployed been provided with skills and temporary employment for the coming Financial Year.

Increasing the capacity of our Disaster & Emergency Management Services Department to be able to respond effectively to emergency situations is crucial. A strong 200 Fire Brigade Reserve Force will be deployed in line with our Fire Brigade Reserve Force Policy which had approved by Council. These individuals will be called upon to supplement staff shortages and will be paid for every shift they are called for. They will also come handy during Disasters and Major incidents where additional properly trained human capacity is required. An amount of R27m had been set aside for this purpose. This contributes significantly to job creation and poverty alleviation efforts.

As part of the municipality's Informal Settlement Management Plan, the reduction of devastating fire incidents at Informal Settlements remain a priority. Community Emergency Response Teams (CERT) Programme has seen 600 CERT members deployed in all 119 Informal Settlements. The spinoffs from this noble service delivery programme are: job creation, poverty alleviation and community participation in matters that affect them. At the end of 2013/14 financial year, this initiative has seen the reduction of fire incidents in Informal settlements reduced by 52 fire incidents as compared with fire incidents during 2012/13. The Department is planning to reduce fire incidents in Informal settlements by 43 incidents in the current 2015/16 Financial Year as part of the SDBIP targets. The municipality will be setting aside R41m in 2015/16 Financial to expand to programme to all wards including formal residential areas.

Leading to the International Fire Awareness week, the municipality will be launching an annual Fire Awareness campaign. The amount set aside for this purpose in 2015/16 is R1m. This campaign will be maintained through the winter season at this level. This is a day to day work of the department but towards winter the campaign is elevated because winter is a fire season and lives and property are lost.

Furthermore, the 13th of October is declared by UN as an International Risk Reduction Day. The municipality will be setting aside an amount of R500, 000.00 to celebrate this day and create awareness on the City's Disaster Risks.

Fire Brigade Services is very high risk occupation. Personal Protective Equipment for operational staff in the department is paramount. This is in compliance to the Occupational Health and Safety Act. An amount of R8, 5m will be provided to equip our staff to be ready to fight fire and perform rescues.

The Operating Budget per category is attached hereto.

Table 67 Operating Budget of the Disaster and Emergency Management Services Department

EKURHULENI METROPOLITAN MUNICIPALITY											
DISASTER AND EMERGENCY MANAGEMENT SERVICES											
FINANCIAL PERIOD	F00	F00	F00	F00	F00	F01	%	%	%	F02	F03
MANAGEMENT SERVICES	R'000	R'000	R'000	R'000	R'000	R'000	B to B	P to B	Of Total	R'000	R'000
INCOME	ORG BUDGET	ADJ BUDGET	YEAR TO DATE	PROJECTED	2015/16	2016/17	2017/18				
MINOR INCOME	9,639	9,639	7,145	9,910	14,804	15,619	16,478				
Total: USER CHARGES FOR SERVICES	9,639	9,639	7,145	9,910	14,804	15,619	16,478				
RENT OF FACILITIES AND EQUIPMENT	0	0	-	-	0	0	0				
LICENSES AND PERMITS	4,191	4,191	4,545	5,802	5,652	6,076	6,532				
Emergency Services Subsidies	136,040	136,040	136,040	136,040	143,250	150,842	158,384				
Sub-Total: OPERATING GRANTS	136,040	136,040	136,040	136,040	143,250	150,842	158,384				
USDG	49,900	46,336	23,519	44,019	29,350	28,000	18,000				
Sub-Total: CAPITAL GRANTS	49,900	46,336	23,519	44,019	29,350	28,000	18,000				
SUNDRY INCOME	930	930	505	694	936	987	1,042				
TOTAL OPERATING INCOME	200,701	197,137	171,754	196,465	193,993	201,524	200,435				
NET OPERATING INCOME	200,701	197,137	171,754	196,465	193,993	201,524	200,435				
EXPENDITURE											
Employee Related Costs - Salaries & Wages	444,854	449,979	332,990	467,044	446,725	475,762	504,308				
Employee Related Costs - Overtime	55,710	55,710	47,060	66,005	59,499	63,366	67,168				
Employee Related Costs - Social Contributions	113,441	113,441	86,036	119,709	111,342	118,579	125,694				
Less: Employee Related Costs - Salaries Capitalised	(4,676)	(4,676)	-	(1,470)	(4,676)	(4,980)	(5,279)				
Sub-Total: REMUNERATION	609,330	614,455	466,086	651,287	612,890	652,728	691,891				
DEPRECIATION	23,656	23,656	17,742	23,656	24,429	25,161	26,042				
Repairs and Maintenance - External Contractors	26,609	28,594	17,500	37,839	31,428	33,156	34,980				
Repairs and Maintenance - Internal Maintenance Teams	2,875	3,758	2,903	3,870	3,119	3,322	3,521				
Sub-Total: REPAIRS AND MAINTENANCE	29,484	32,352	20,402	41,709	34,547	36,478	38,501				
CONTRACTED SERVICES	540	540	199	328	575	607	655				
GENERAL EXPENSES	34,740	38,150	17,266	32,168	66,404	69,448	72,660				
TOTAL OPERATING EXPENDITURE	697,750	709,153	521,695	749,149	738,845	784,422	829,750				
Internal Charges	13,200	13,200	24,159	27,649	14,868	16,534	18,375				
NET OPERATING EXPENDITURE	710,950	722,353	545,854	776,797	753,713	800,957	848,124				
OPERATING SURPLUS/(DEFICIT)											
Contribution to Capital Budget	(510,250)	(525,216)	(374,100)	(580,332)	(559,720)	(599,432)	(647,689)				
Total Transfers from Cash-Backed Reserves	49,900	46,336	23,519	44,019	29,350	28,000	18,000				
NET OPERATING SURPLUS/(DEFICIT)	(555,981)	(567,384)	(394,493)	(620,183)	(585,944)	(625,348)	(664,647)				

Capital Budget of the Disaster and Emergency Management Services Department

An amount of R110.8m for 2014/15, R139.3m for 2016/17 and R123.3m for the 2017/18 financial years have been provided for the Disaster and Emergency Management Services Department

The department has requested the following Capital Budget:

Department	Project Name	Capitalisation Investment Framework Category	CCA	Ward/s in which project is located	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
Disaster & Emergency Management Services	3 x Mobile be SAFE Units	Upgrading and Renewal	Boksburg	20, 32, 73	2,800,000	2,800,000	-
Disaster & Emergency Management Services	Const Fire Station Olifantsfontein	Urban Restructuring	Kempton Park	23	1,200,000	2,000,000	10,000,000
Disaster & Emergency Management Services	Const Fire Station/House Albertina Sisulu Corridor	Urban Restructuring	Kempton Park	15	2,000,000	12,400,000	15,000,000
Disaster & Emergency Management Services	Const Fire Station/House Germiston Central	Urban Restructuring	Germiston	36	15,000,000	9,000,000	-
Disaster & Emergency Management Services	Elandsfontein/Isando Fire Station	Urban Restructuring	Kempton Park	15	1,000,000	2,000,000	10,000,000
Disaster & Emergency Management Services	Emergency Services Training Academy	Urban Restructuring	Kempton Park	100	-	2,000,000	3,000,000
Disaster & Emergency Management Services	Emergency Vehicle Navigation and Dispatching System	Upgrading and Renewal	Operational Equipment	Operational Equipment	950,000	600,000	180,000
Disaster & Emergency Management Services	Establish Radio Technical Workshop	Upgrading and Renewal	Kempton Park	17	1,500,000	-	-
Disaster & Emergency Management Services	Extention of Farrarmere Fire Station	Upgrading and Renewal	Benoni	26	1,000,000	8,000,000	-
Disaster & Emergency Management Services	Furnished BeSAFE Centre	Upgrading and Renewal	Boksburg	32	2,400,000	-	-
Disaster & Emergency Management Services	High Volume Emergency Water Relay System	Upgrading and Renewal	Boksburg	22	-	15,000,000	20,000,000
Disaster & Emergency Management Services	ICT Equipment (DMC)	Upgrading and Renewal	Operational Equipment	Operational Equipment	500,000	500,000	500,000
Disaster & Emergency Management Services	ICT Equipment (EMS)	Upgrading and Renewal	Operational Equipment	Operational Equipment	1,800,000	800,000	2,000,000
Disaster & Emergency Management Services	ICT Equipment (Support Services)	Upgrading and Renewal	Operational Equipment	Operational Equipment	50,000	100,000	-
Disaster & Emergency Management Services	Office Furniture (EMS)	Upgrading and Renewal	Operational Equipment	Operational Equipment	800,000	800,000	1,800,000
Disaster & Emergency Management Services	Office Furniture (Support Services)	Upgrading and Renewal	Operational Equipment	Operational Equipment	80,000	-	300,000

EKURHULENI METROPOLITAN MUNICIPALITY – FINAL BUDGET 2015/16 TO 2017/18

Department	Project Name	Capitalisation Investment Framework Category	CCA	Ward/s in which project is located	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
Disaster & Emergency Management Services	Office Furniture: (DMC)	Upgrading and Renewal	Operational Equipment	Operational Equipment	50,000	50,000	100,000
Disaster & Emergency Management Services	Other Equipment (DMC)	Upgrading and Renewal	Operational Equipment	Operational Equipment	200,000	200,000	200,000
Disaster & Emergency Management Services	Other Equipment (EMS)	Upgrading and Renewal	Operational Equipment	Operational Equipment	1,900,000	2,400,000	2,500,000
Disaster & Emergency Management Services	Other Equipment Support Services)	Upgrading and Renewal	Operational Equipment	Operational Equipment	200,000	-	-
Disaster & Emergency Management Services	Refurb of All Metro Fire Stations/House	Upgrading and Renewal	Benoni	27	2,000,000	2,400,000	-
Disaster & Emergency Management Services	Refurbishment Community Safety HQ	Upgrading and Renewal	Edenvale	20	250,000	5,000,000	-
Disaster & Emergency Management Services	Refurbishment of DMC Premises / facilities	Upgrading and Renewal	Alberton	94	-	200,000	-
Disaster & Emergency Management Services	Refurbishment of DMC Premises / facilities	Upgrading and Renewal	Alberton	94	-	300,000	-
Disaster & Emergency Management Services	Replacement of Breathing Apparatus Sets	Upgrading and Renewal	Operational Equipment	Operational Equipment	4,000,000	120,000	140,000
Disaster & Emergency Management Services	Restoration of Germiston Fire Station	Upgrading and Renewal	Germiston	36	1,000,000	2,000,000	-
Disaster & Emergency Management Services	Specialized Equipment (DMC)	Upgrading and Renewal	Operational Equipment	Operational Equipment	500,000	1,000,000	500,000
Disaster & Emergency Management Services	Specialized Equipment (ES)	Upgrading and Renewal	Operational Equipment	Operational Equipment	2,400,000	2,400,000	2,500,000
Disaster & Emergency Management Services	Specialized Vehicles (ES)	Upgrading and Renewal	Operational Equipment	Operational Equipment	30,000,000	30,000,000	32,000,000
Disaster & Emergency Management Services	Two way Radio Communication Equipment	Upgrading and Renewal	Kempton Park	6, 17, 20, 21, 27, 32, 36, 41, 45, 71, 74, 75, 84, 88, 92, 94 ,100	500,000	500,000	1,500,000
Disaster & Emergency Management Services	Upgrade all Repeater Sites Phase 1	Upgrading and Renewal	Kempton Park	6, 17, 20, 21, 27, 32, 36, 41, 45, 71, 74, 75, 84, 88, 92, 94 ,100	300,000	500,000	500,000
Disaster & Emergency Management Services	Upgrading of Alberton Fire Station	Upgrading and Renewal	Alberton	94	800,000	1,200,000	-
Disaster & Emergency Management Services	Upgrading of Benoni Central Fire Station	Upgrading and Renewal	Benoni	27	600,000	600,000	-

Department	Project Name	Capitalisation Investment Framework Category	CCA	Ward/s in which project is located	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
Disaster & Emergency Management Services	Upgrading of Commercial Fire Station	Upgrading and Renewal	Edenvale	12	600,000	-	-
Disaster & Emergency Management Services	Upgrading of Edenvale Fire Station	Upgrading and Renewal	Edenvale	19	600,000	1,200,000	-
Disaster & Emergency Management Services	Upgrading of Kemptonpark Fire Station	Upgrading and Renewal	Kempton Park	17	800,000	1,000,000	-
Disaster & Emergency Management Services	Upgrading of Primrose Fire Station	Upgrading and Renewal	Germiston	21	600,000	-	-
Disaster & Emergency Management Services	Vehicles (DMC)(MORE THAN 2 SEATS)	Upgrading and Renewal	Operational Equipment	Operational Equipment	1,000,000	2,000,000	-
Disaster & Emergency Management Services	Vehicles (ES)(2 SEATS OR LESS)	Upgrading and Renewal	Operational Equipment	Operational Equipment	900,000	1,000,000	1,200,000
Disaster & Emergency Management Services	Vehicles (ES)(MORE THAN 2 SEATS)	Upgrading and Renewal	Operational Equipment	Operational Equipment	1,250,000	1,300,000	1,400,000
Disaster & Emergency Management Services	Const Fire Station/House Kwa-Thema	Urban Restructuring	Kwa Thema	77	11,000,000	-	-
Disaster & Emergency Management Services	Const Fire Station/House Thokoza	Urban Restructuring	Thokoza	52	16,500,000	18,000,000	-
Disaster & Emergency Management Services	Katlehong Fire Station	Urban Restructuring	Katlehong 1	55	1,550,000	6,000,000	18,000,000
Disaster & Emergency Management Services	Upgrading of Vosloorus Fire Station	Upgrading and Renewal	Vosloorus	44	300,000	4,000,000	-
					110,880,000	139,370,000	123,320,000

New facilities to be constructed with a significant impact on Operating Budgets of future years (2015/16 financial year)

The department is creating a number of new fire stations, but the renewal of current assets is limited to 3% and the replacement of vehicles 16%.

The fire brigade services and rescue services are a competency of the municipality in terms of the Constitution. The municipality therefore has the responsibility to provide equitable distribution of resources within its jurisdiction to ensure that all communities have services throughout the metro. There have been no fire stations in the townships in the past to provide these services. Furthermore, the growth of the city also impacts negatively on the existing resources thereby requiring more resources to be put in place.

Though the ambulance service is constitutionally a competency of the Provincial Government, it is run by the municipality as an integral part of the fire services in terms of the provisions of the Fire Brigade Services Act, 1987. The service is subsidised by the Provincial Health Department as per the MOU between the two parties. As indicated above,

fire stations are constructed to primarily provide fire and rescue services which is a competency of the municipality.

In the period 2014/15 to 2016/17, the following fire stations are on the IDP:

- Duduza Fire Station
- KwaThema Fire Station
- Germiston Fire Station
- Albertina Sisulu Corridor
- Thokoza Fire Station

Of the above fire stations, the following are already operational and the Operating Budget attached thereto is already being incurred and will not need additional budget except for additional staff to augment the already existing staff to meet the standards. This is an institutional review process:

- Duduza Fire Station, which will be finalised in June 2015. The fire station is operating from a temporary facility.
- Germiston Fire Station, which will be finalised during 2015/16 only. The fire station was the first one in Ekurhuleni. It's very old and difficult to maintain and no longer appropriate. The building qualifies to be a museum.

The following fire stations will indeed require additional Operating Budget once finalised. A need for these facilities was identified through the IDP process and they are required to render services:

- KwaThema Fire Station. KwaThema is one of the townships not covered at all, even by a temporary facility. The fire station will be finalised in 2015/16. Only then will the Operating Budget be required and that provides enough time from now to source funding.
- Albertina Sisulu Corridor Fire Station. This fire station will be situated at the heart of the Aerotropolis. There are huge economic developments coming up in that corridor and the Kempton Park Fire Station which is far from this area is already not coping under the current circumstances. The fire station will only be finalised in 2016/17 providing enough time from now until then for funds to be sourced.

Expected outcomes from the implementation of the Capital Budget

The total budget for the department is R110.8m and significant projects are:

- R42.5m for the construction of three fire stations in the following areas - Germiston Central, KwaThema and Thokoza.
- R36m for vehicles and specialised equipment.

2.10.8 ECONOMIC DEVELOPMENT

The result statements of the department is contained in the IDP in Annexure A.

The Economic Development Department is tasked with leading, facilitating and promoting economic growth and development within Ekurhuleni Metropolitan Municipality with a targeted commitment to enhancing inclusivity and competitiveness of the Ekurhuleni economy. Moreover, Economic Development Department is the backbone of Economic Planning, Investment & Trade Facilitation and Tourism Destination Marketing in the City of Ekurhuleni.

Net Operating Expenditure

The budget structure is informed by the new Organizational Structure and categorized as per the following cost centers:

- Community Enterprise Development
- Industrial Investment Facilitation
- Economic Development Projects
- Economic Research & Planning
- Governance & Compliance
- Tourism Development & Marketing
- Support Services
- Economic Research, Planning and Strategy
- Springs Fresh Produce Market

Operating Income

The income is mostly generated from Springs Fresh Produce Market (SFPM). The SFPM generates revenues for the Department through farmers who are charged a 5% commission for EMM.

Below is the current and projected market turnover for the market:

- The market turnover for 2013/2014 financial year was R349m and income (storage, levies fees and rentals) of R18.2m was generated.
- The market expect an annual turnover for 2014/2015 of R384m and income of R27.4m is budgeted. According to the projected income the target might not be met.
- The projected annual turnover for 2015/2016 is R422m and income of R23m is budgeted.

Expenditure

The Economic Development Department will focus more on implementing Mega and Flagship projects to deal with the challenges such as higher unemployment rates as large number of employment seekers cannot enter the labour markets, low education and poor skills base.

Mega and Flagship Projects as pronounced by the Executive Mayor

Activity	Description
1. Coordination of the metro-wide job creation programme	
Purpose of the project	Coordinate a city-wide intervention that creates short- medium- and long-term work opportunities through the provision of training, experiential learning, and private sector placement opportunities.
Current progress on project	<p>1. Expanded Public Works Programme (EPWP) The Department has been monitoring EPWP job creation with all EMM Departments, in quarter 1, 4641 work opportunities were created through both capital and opex projects of the municipality.</p> <p>2. Community Skills Development The following programmes are implemented:</p>

Activity	Description
	<ul style="list-style-type: none"> <p data-bbox="603 255 1007 286">• <u>Community Learnerships</u></p> <p data-bbox="555 309 1461 640">Learnerships are implemented in partnership with various organizations. The Learnerships include Licensing, Electrical Apprenticeship, Supervision of construction process, Pharmacy Assistants, ICT, EMPD, SAMBI, Social Auxiliary, Economic Development Coordinator, Ward Committee Governance, EETDP, Horticulture, Water, LED Coordinator, Plumbing). Another partnership between the City of Ekurhuleni, the Energy SETA and Solar Academy has resulted in a start of training of 162 young people in Level 2 Plumbing. The young people enrolled on this Learnerships were recruited from the Job Summit & Career Expo 2014.</p> <p data-bbox="603 712 1118 743">• <u>Artisan Development Programme</u></p> <p data-bbox="555 743 1461 945">Ekurhuleni faces unprecedented challenges that are manifested through amongst other things; higher unemployment rates, large number of employment seekers who cannot enter the labour markets, low education and poor skills base. The programme will complement the Recognition of Prior Learning Programme, and will focus on provision of skills required to achieve Artisan qualification.</p> <p data-bbox="603 981 1062 1012">• <u>Youth Placement Programme</u></p> <p data-bbox="555 1012 1461 1249">Ekurhuleni faces unprecedented challenges that are manifested through amongst other things; higher unemployment rates, large number of employment seekers who cannot enter the labour markets, low education and poor skills base. Young people are mostly affected by this challenge of unemployment. The programme is a continuation of the current youth placement programme and seeks to place at least 800 unemployed youth with matric with third party institutions.</p> <p data-bbox="603 1285 906 1317">• <u>Bursary Provision</u></p> <p data-bbox="555 1317 1461 1585">As part of Community Development, the Economic Development has been cascaded the responsibility of Bursary provision in the City. This is part of the overall Organizational Youth Development Programme for the Municipality. The aim of the bursary scheme is to increase the knowledge and also to improve the employability of bursary holders after studies have been completed. This is a strategic project that supports the achievement of service delivery goals (Youth Development Programme and Job Creation).</p> <p data-bbox="555 1621 1461 1787">Bursaries are offered in the third quarter when learners have obtained their examination results; however, there are 408 learners currently on the system. The Department is currently preparing for 2015 community bursary intake; the process will be concluded in January 2015. Community Bursaries are also budgeted for 2015/2016</p> <p data-bbox="555 1809 1461 1872"><u>Unemployed Graduates Youth Work Readiness Placement Programme</u></p> <p data-bbox="555 1895 1461 2054">Ekurhuleni faces unprecedented challenges that are manifested through amongst other things; higher unemployment rates, large number of employment seekers who cannot enter the labour markets, low education and poor skills base. Young people are mostly affected by this challenge of unemployment. The programme is a continuation</p>

Activity	Description
	of the current youth placement programme and seeks to place at least 2000 unemployed youth with third party institutions. Currently the Department has requested an increase of stipend of the Interns and this will require additional budget.
Activity	Description
2. Revitalisation of Township Economies	
Purpose of the project	Systematic intervention in the economic rejuvenation in the townships in a manner that addresses spatial inequalities through the development of economic infrastructure to drive economic activity.
Current progress on project	<p>The department has finalised nine (9) strategies programmes and complexes and nodes were completed through the township urban regeneration are completed the township retail development programme where Council Owned shop will be modified and other new retail facilities will be built next financial year.</p> <p>The department continue to make strides in the delivery of Township Enterprise Hubs, Recycling Buy Back Centres, Micro Trading Facilities and Business parks.</p>
Future activities of the project	<p>Implement the township economy strategy and Infrastructure plan in each complex in line with the Capex allocations.</p> <p>The implementation of the Township Retail Development Programme utilising council-owned shops as well as unfolding the waste recycling programme in the township.</p>

Activity	Description
3. Revitalisation of Manufacturing Sector	
Purpose of the project	To stimulate industrial activity, efficiencies and competitiveness of industrial and manufacturing sector entities through the implementation of the 13 Pillar Programmes.
Current progress on project	<p>The Revitalization of the Manufacturing Sector project is been implemented through the 13 Pillar Programme where a number of instruments have been identified to activate the 13 Pillars and these are as follows:</p> <ul style="list-style-type: none"> • 5 year Industrial Development Policy, Strategy and Programme • 10 year Industrial Development & Upgrade, Productivity Improvement and Competitiveness Programme • 10 year Economic Development Strategy and Programme of Action • National Cleaner Production Centre (NCPC-SA) • Investment and Development Facilitation Strategic Policy Framework • The Manufacturing Indaba • Aerotropolis Annual Investment Conference and Exhibition <p>The strategies and programmes listed above are undertaken to inform a more organised industrial development the City is pursuing and to identify value chain opportunities to inform the development of the industrial sectors cluster programmes. The City's strategies and programmes are developed in alignment with the National Government strategies, programmes and priorities such as the Industrial Policy Action Plan (IPAP).</p>

Activity	Description
	<p>List of land parcels have been identified to be reserved for industrial and manufacturing opportunities and industrial sector clusters identified. Other suitable land parcels are to be identified for township industrial development where a database of Ekurhuleni owned township vacant sites of 10 hectares and more were identified and City Planning is working on identifying suitable sites among this list for the proposed township industrial parks.</p> <p>7 companies already signed-up for the NCPC programme during the first quarter. In addition to the recruitment process facilitated by the Department, NCPC commissioned Industrial parks analysis study. 2 industrial parks within Ekurhuleni have been identified to review eco-industrial practices and identify possible interventions as part of the NCPC programme.</p>
Future activities of the project	<ul style="list-style-type: none"> • Develop an Industrial Planning and Development Strategy. • Develop an Economic Clustering and Sector Development and Support Programme. • Adopt and implement the Productivity Improvements and Industrial Upgrade Programme. • Continued implementation of the National Cleaners Production and Resource Efficiency Programme. • Develop a Comprehensive Skills Development Programme to focus on scarce skills. • Develop an Industrial and Economic Infrastructure Plan and Logistics Framework. • Adopt the Buy Local Campaign and Implement a strategic and targeted Local Procurement Programme to encourage local production and contents in partnership with Proudly SA. • Develop a database of industrialists and establish an Industrial Stakeholder Coordinating Forum in partnership with captains of industries to encourage industrial participation. • Research and development to encourage innovation.

Activity	Description
4. Ekurhuleni Aerotropolis Development Programme	
Purpose of the project	To implement the Ekurhuleni Aerotropolis Development Programme.
Current progress on project	<p>Council approved the five-year Aerotropolis Implementation Plan for stakeholder consultation. The five-year Implementation Plan identifies critical infrastructure initiatives and relevant projects as listed in various planning documents. These projects include already proposed projects and new initiatives which have been identified through consultation, consensus and agreement with key stakeholders. The following stakeholders have been engaged by the Department: Ekurhuleni Business Association; Business Unity South Africa; Bidvest; Avis; SANRAL; PRASA and DENEL</p> <p>To date the following have been achieved:</p> <ul style="list-style-type: none"> • Stakeholder engagement process continued and produced valuable insights that are critical in shaping the thinking as the project unfolds. These engagements are the first set of engagements with government, business, civil society, academic institutions and organised groups to share the

Activity	Description
	<p>thinking and the direction that the Ekurhuleni Aerotropolis should take. The second set of engagements will take place once the longer term strategy is concluded.</p> <ul style="list-style-type: none"> Parallel to the development of the longer term strategic plan, a need to operationalize the Aerotropolis concept in the short term has been identified, to enable rolling out of the vision tangibly. This meant deciding on Priority Projects that must be developed now and positioning EMM for their implementation. 19 short term priority projects have also been identified in the Strategic Road Map, addresses and advances critical Aerotropolis concepts identified in the Strategic Road Map, Planning and Land Use Guidelines (PLUG) and the Five Year Implementation Plan. These projects vary in complexity, implementation requirements and realization, but they address the common goals and themes of the Ekurhuleni Aerotropolis. Business case for the establishment of an Ekurhuleni Aerotropolis Management Agency has been developed.
Future activities of the project	<p>The Aerotropolis project is still at a conceptual/design phase. A Master Plan currently under development and is due for completion in 2015. This budget requested will implement the recommendations from the five-year plan, upon approval. The request is also made for the completion of the 30-year master plan.</p> <p>EMM appointed Aurecon to develop a 30 year EMM Aerotropolis Master plan. Embedded in the development of the Master Plan is a business case for an Aerotropolis Special Purpose Vehicle (SPV) which will be responsible for activating the developed Master Plan. Funds will be required for setting up the SPV.</p>

The following programmes/projects are also budgeted for in 2015/16 financial year.

Ekurhuleni Business Facilitation Network

The Ekurhuleni Business Facilitation Network (EBFN) was created to facilitate development and to attract investment in the regional economy. The Centre houses various directorates in the Economic Development Department as well as external economic development partners that also contribute to the maintenance and operationalization of the facility in particular Peermont. EBFN is also utilised to host incubation programmes, share Industry production facilities, fabrication laboratory and to harbour small business enterprises as tenants. It is for this reason that the contribution for both EMM and Peermont will be R2m each to cover general expenses as well as project related expenses.

Community Enterprise Development

Entrepreneurship and business development are important building blocks for a growing and sustainable economy. EMM aims to create an environment that supports both informal traders and entrepreneurs who seek to develop small businesses into larger enterprises. The department keep small businesses abreast with the new regulations and compliance requirements. This is done through workshops and Seminars. This provides a controlled environment to feed information to small businesses in a way that they can interface with the facilitator and actively participate in the process.

- The budget will assist the department to push the incubation programme; this programme is largely funded by SEDA, however there is a need to augment of what SEDA is providing owing to the fact that they don't have sufficient funds to set-up

Incubation programmes in the Municipalities. Ekurhuleni has established three incubation programmes in partnership with SEDA and it is on the brink of setting-up the Chemical Incubation. This also include mentorship **Investment Facilitation** - to enhance our investment promotion efforts to help attract more investors to the City. Most of the industrial investment facilitation SDBIP targets needs programmes to be developed and thus feasibilities / business plans need to be done for the implementation of programmes. Professional services are also required to enhance our investment promotion efforts to help attract more investors to the City.

- **10 year EMM Industrial Development Programme** - EMM appointed a service provider to develop a 10 Year EMM Economic Development Strategy and Programme of Action from 2013 to June 2016. The development and implementation of the industrial development and upgrade programme will contribute to the facilitation of orderly industrialization and revitalization of the manufacturing sector, skills development, creation of jobs and facilitation of investment.
- **5yr EMM Industrial Development Policy, Strategy and Programme** - EMM appointed KPMG to develop a Five Year EMM Industrial Development Policy, Strategy and Programme from 2013 to June 2016.
- **Governance and Compliance** – The intention is to improve assurance on the risk mitigation associated with large projects and to ensure greater adherence to processes
- **Community Enterprise Development**- the intention is to get expertise to provide specific industry support especially on Technical knowledge and industry linkage and development programmes as incubations mainly focus on technical input but the city also need to hand holder small businesses on softer issues such as Finance management, market access, business admin, promotion etc.

Consultancy

The budget will be utilized for consulting on related professional services for the following programmes:

Special Events

One of the key performance indicators in the SDBIP for Economic Development is “Number of mega business and leisure activities designed to improve tourism in Ekurhuleni”. To this end, the Department of Economic Development has identified mega events in the City to tap on in order to achieve the above mentioned indicator. These events have been identified based on their attractiveness to the domestic market and huge media exposure opportunities for the City. This will also assist in leveraging marketing and branding opportunities for the destinations. Exhibitions are a useful face to face platform that brings a brand to the people and can easily convert them into tourists to the destination.

Some of the events will be Manufacturing Indaba and Aerotropolis Annual Investment Conference and Exhibition which plays a significant role in promoting the City as the Manufacturing Hub and the first African Aerotropolis. The Manufacturing Indaba is key to the implementation of the Revitalization of the Manufacturing Sector flagship projects as it provides a unique platform to bring together all relevant and key industry and public sector stakeholders in advocating for the growth and development of the Manufacturing Sector. The Aerotropolis Annual Investment Conference and Exhibition follows the successful hosting of the ACE (Airport Cities Conference & Exhibition) and the Business Consultative Conference held during 2013. The event is key in promoting the development of the Aerotropolis and it provides the platform to showcase the City as a preferred business and investment destination of choice to attract investment and developments to the City.

Awareness Campaigns & Advertising

With the efforts realized by the Economic Development Department in the development and promotion of the City's economy on the various projects and programmes undertaken, it is critical that the department's presence is communicated to both internal and external stakeholders with the collaboration of the Brand & Marketing Department.

The budget will be utilised to support local businesses with export development for them to have access to markets for their locally produced products. The programmes implemented under the Job Creation and Skills Development Initiatives requires extensive promotion in order to reach the intended beneficiaries and to attract suitable partners and stakeholders. Although the Department of Communication and Branding is working together with the department on communication issues, the department is required to provide its own budget.

Workshops

The Economic Development department exists to become the pillar of economic planning, investment trade facilitation, tourism development & marketing as well as job creation and skills development in the region. For this to be continually achieved, a periodic engagement where the department evaluates its existing strategies and methodologies, and forges ahead is critical. Strategic planning is one impetus to providing efficient service delivery to the populace of EMM. Despite the growth and apparent robustness of the sector, the development, retention and transfer of skills within the sector remain critical challenges for South Africa's international competitiveness. This affects the potential of the sector to create jobs, reduce poverty and contribute to the transformation and growth of the South African economy. As such, it becomes critical for progressive destination to ensure to capacitation of its product owners in order for them to grow their business and compete in the market.

The Spring Fresh Produce Market

The Fresh Produce Market is being renovated in the current financial year and renovations will continue in the 2015/16 financial year. An additional amount of R5m has been provided for the maintenance of the market. This project is aimed at the enhancement of the operations of the market with resulting increased revenue. Refurbishment Phase Two is currently focusing on rented facility and expansion of essential infrastructure such as Ablution facility.

Community Agriculture

The aim of our Department is to provide opportunities for development of entrepreneurship in both primary and secondary agricultural systems and the self-empowerment of communities through our excellence in farm management and community engagement. The community agriculture programme will include community food bank, training, cooperative development and farming management.

Table 68 Operating Budget of the Economic Development Department

EKURHULENI METROPOLITAN MUNICIPALITY										
ECONOMIC DEVELOPMENT										
FINANCIAL PERIOD	F00 R'000 ORG BUDGET	F00 R'000 ADJ BUDGET	F00 R'000 YEAR TO DATE	F00 R'000 PROJECTED	F01 R'000 2015/16	% B to B	% P to B	% Of Total	F02 R'000 2016/17	F03 R'000 2017/18
INCOME										
MARKET INCOME	19,473	19,473	12,739	18,694	21,072	8.21%	12.72%	56.86%	22,758	24,464
Total: USER CHARGES FOR SERVICES	19,473	19,473	12,739	18,694	21,072	8.21%	12.72%	56.86%	22,758	24,464
RENT OF FACILITIES AND EQUIPMENT	8,008	8,008	664	885	1,970	-75.40%	122.56%	5.32%	2,128	2,298
INTEREST EARNED ON INVESTMENTS	43	43	99	117	85	100.00%	-27.62%	0.23%	93	101
Operating Grants - Other	-	-	-	-	-	0.00%	0.00%	0.00%	235	246
Provincial Operating Grants	-	-	-	-	223	100.00%	100.00%	0.60%	-	-
National Operating Grant	6,422	6,422	6,422	6,422	13,709	113.47%	113.47%	36.99%	-	-
Sub-Total: OPERATING GRANTS	6,422	6,422	6,422	6,422	13,932	116.94%	116.94%	37.59%	235	246
USDG	29,200	29,200	3,940	27,740	-	-100.00%	0.00%	0.00%	-	-
Sub-Total: CAPITAL GRANTS	29,200	29,200	3,940	27,740	-	-100.00%	0.00%	0.00%	-	-
SUNDRY INCOME	5	5	4	5	3	-40.00%	-43.85%	0.01%	3	3
TOTAL OPERATING INCOME	63,150	63,150	23,868	53,864	37,062	-41.31%	-31.19%	100.00%	25,216	27,113
NET OPERATING INCOME	63,150	63,150	23,868	53,864	37,062	-41.31%	-31.19%	100.00%	25,216	27,113
EXPENDITURE										
Employee Related Costs - Salaries & Wages	43,236	56,875	52,650	73,845	75,793	33.26%	2.64%	35.31%	80,720	85,563
Employee Related Costs - Overtime	552	932	811	1,138	590	-36.74%	-48.18%	0.27%	628	666
Employee Related Costs - Social Contributions	5,505	5,505	3,889	5,411	7,215	31.07%	33.33%	3.36%	7,684	8,145
Less: Employee Related Costs - Salaries Capitalised	(1,540)	(1,540)	-	(484)	(1,540)	0.00%	218.09%	-0.72%	(1,640)	(1,738)
Sub-Total: REMUNERATION	47,753	61,772	57,350	79,910	82,058	32.84%	2.69%	38.23%	87,392	92,635
DEPRECIATION	4,645	4,645	3,484	4,645	4,797	3.26%	3.26%	2.23%	4,940	5,113
Repairs and Maintenance - External Contractors	2,835	2,480	1,279	2,765	4,790	93.18%	73.24%	2.23%	5,053	5,331
Repairs and Maintenance - Internal Maintenance Teams	63	63	38	51	69	8.50%	34.59%	0.03%	73	78
Sub-Total: REPAIRS AND MAINTENANCE	2,898	2,543	1,317	2,816	4,859	91.07%	72.54%	2.26%	5,127	5,409
CONTRACTED SERVICES	2,000	700	-	-	750	7.14%	100.00%	0.35%	791	855
Grants & Subsidies Paid - Social/Educational/Sports	5,982	6,056	284	421	26,000	329.31%	6069.56%	12.11%	27,430	28,939
Sub-Total: Grants and Subsidies	5,982	6,056	284	421	26,000	329.31%	6069.56%	12.11%	27,430	28,939
GENERAL EXPENSES	69,076	90,510	20,763	38,685	81,891	-9.52%	111.69%	38.15%	81,967	82,048
OPERATING GRANTS EXPENDITURE	6,422	6,422	6,422	16,043	13,932	116.94%	-13.16%	6.49%	235	246
TOTAL OPERATING EXPENDITURE	138,777	172,649	89,620	142,520	214,286	24.12%	50.36%	99.84%	207,882	215,245
Internal Charges	321	321	80	92	346	7.96%	276.04%	0.16%	374	404
NET OPERATING EXPENDITURE	139,097	172,970	89,700	142,612	214,632	24.09%	50.50%	100.00%	208,256	215,649
OPERATING SURPLUS/(DEFICIT)										
Contribution to Capital Budget	(75,947)	(109,820)	(65,833)	(88,748)	(177,570)	61.69%	100.08%	0.00%	(183,040)	(188,537)
Total Transfers from Cash-Backed Reserves	29,200	29,200	3,940	27,740	-	-100.00%	0.00%	-	-	-
NET OPERATING SURPLUS/ (DEFICIT)	504	504	378	504	378	-25.00%	-25.00%	-	252	126
	(104,643)	(138,516)	(69,394)	(115,984)	(177,192)	27.92%	52.77%	-	(182,788)	(188,410)

Capital Budget of the Economic Development Department

An amount of R76m for 2015/16, R68.1m for 2016/17 and R26.9m for the 2017/18 financial years have been provided for the Economic Development Department.

The department has requested the following Capital Budget:

Department	Project Name	Capitalisation Investment Framework Category	CCA	Ward/s in which project is located	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
Economic Development	Community Agric Projects	Economic Development	Corporate	All wards	6,000,000	6,000,000	8,000,000
Economic Development	Ekurhuleni Industrial Parks	Economic Development	Brakpan	All wards	2,000,000	5,000,000	-
Economic Development	Fabrication Laboratory	Economic Development	Tembisa 2	5	5,000,000	6,000,000	-
Economic Development	ICT Equipment	Upgrading and Renewal	Operational Equipment	Operational Equipment	500,000	600,000	600,000
Economic Development	Office Furniture	Upgrading and Renewal	Operational Equipment	Operational Equipment	200,000	100,000	250,000
Economic Development	Other Equipment	Upgrading and Renewal	Operational Equipment	Operational Equipment	100,000	80,000	90,000
Economic Development	Refurbishment & Expansion of the Fresh Produce Market	Upgrading and Renewal	Springs	75	15,000,000	20,000,000	-
Economic Development	Specialized Equipment	Upgrading and Renewal	Operational Equipment	Operational Equipment	2,500,000	2,500,000	3,000,000
Economic Development	Tourism Route Infrastructure	Economic Development	Benoni	Multi Wards	1,500,000	2,000,000	-
Economic Development	Trading Stalls	Economic Development	Corporate	All wards	6,000,000	-	-
Economic Development	Vehicles (2 Seats or Less)	Upgrading and Renewal	Operational Equipment	Operational Equipment	200,000	400,000	-
Economic Development	Township Economies Development	Economic Development	Brakpan	All wards	15,000,000	15,000,000	15,000,000
Economic Development	Township enterprise Hubs	Economic Development	Corporate	All wards	22,000,000	10,500,000	-
					76,000,000	68,180,000	26,940,000

Expected outcomes from the implementation of the Capital Budget

The total budget for the department is R76m. Significant projects are:

- The refurbishment of the Springs Fresh Produce Market.
- Township Enterprise Hubs.
- Township Economics development.
- Trading stalls.
- Community agricultural projects.
- Fabrication laboratory.

2.10.9 EKURHULENI METRO POLICE DEPARTMENT (EMPD)

The result statements of the department is contained in the IDP in Annexure A

Key projects of the Ekurhuleni Metro Police Department

- Improve organisational effectiveness in policing services (crime prevention, by-law enforcement, security and traffic law enforcement).
- Improve organisational governance vs. creating a better/improved enabling environment in EMPD.
- Build a new 'officer core' and improve discipline among the ranks.
- Grow community engagement (through social crime prevention programmes and Community Policing Forums).

Operating Budget of the Ekurhuleni Metro Police Department

The EMPD Operating Expenditure Budget comprises mainly of remuneration-related (salaries etc.) expenses which is 73.71% of the total budget. The repair and maintenance budget (various votes including repair and maintenance of vehicles and buildings) is 2.43% of the budget. Contracted services includes the security contracts which is 16.65% of the budget, with the remaining 7.12% used for general expenses.

One of the single greatest cost components of the EMPD (excluding salaries) is that of security contracts. The expenditure has drastically and significantly increased over the past few years, and is reflected as per the table below.

Financial Year	Actual Expenditure
2006/07	38,303,822
2007/08	45,228,492
2008/09	77,394,426
2009/10	76,833,395
2010/11	101,502,135
2011/12	99,508,647
2012/13	110,502,565
2013/14	133,600,523
2014/15 (current budget)	150,997,000
2015/16 (proposed budget)	160,056,820

An amount of R160m has been budgeted for the 2015/16 financial year. The department is however investigating alternative security measures that will significantly reduce the cost of external security services.

The department's main revenue income source is traffic fines. Traffic fine income does not grow at the same rate as the cost of the service. An amount of R95m income was budgeted for the 2014/15 financial year which has increased to R105m for the 2015/16 financial year.

The AARTO Act was promulgated for implementation as from 1 April 2012. To date AARTO has still not been implemented. The AARTO process has been delayed due to the failure of the RTMC to promulgate changes to the relevant legislation and the decision to implement lies with the Minister of Transport. The cost implication of AARTO is however extremely high due to the fact that currently offenders can be notified via normal mail at a cost of R3 and/or personal serving. In terms of the AARTO legislation however each infringement notice must be served via registered mail at a cost of R20.80 per infringement. The cost of this postage is currently offset in a back office contract and EMPD therefore does not pay any postage fee.

The projected cost once AARTO is implemented is estimated at R25m (based on 100 000 fines issued per month). This budget does not make provision for any additional costs that may result from the AARTO process, including additional postage costs.

It must also be noted that the projected income will decrease dramatically when the AARTO legislation is fully implemented in South Africa.

The Operating Budget per category is attached hereto.

Table 69 Operating Budget of the Ekurhuleni Metro Police Department

EKURHULENI METROPOLITAN MUNICIPALITY											
EKURHULENI METRO POLICE DEPARTMENT											
FINANCIAL PERIOD DEPARTMENT	F00 R'000 ORG BUDGET	F00 R'000 ADJ BUDGET	F00 R'000 YEAR TO DATE	F00 R'000 PROJECTED	F01 R'000 2015/16	% B to B	% P to B	% Of Total	F02 R'000 2016/17	F03 R'000 2017/18	
INCOME											
Traffic Fines	94,600	94,600	23,434	31,245	105,000	10.99%	236.05%	88.41%	115,500	127,050	
Other Fines	590	590	1,331	1,775	980	66.10%	-44.78%	0.83%	1,054	1,133	
Sub-Total: FINES	95,190	95,190	24,765	33,020	105,980	11.34%	220.96%	89.24%	116,554	128,183	
USDG	-	10,916	7,090	10,370	11,800	8.10%	13.79%	9.94%	8,000	-	
Sub-Total: CAPITAL GRANTS	-	10,916	7,090	10,370	11,800	8.10%	13.79%	9.94%	8,000	-	
SUNDRY INCOME	3,566	3,566	595	818	980	-72.51%	19.87%	0.83%	1,034	1,091	
TOTAL OPERATING INCOME	98,756	109,672	32,450	44,208	118,760	8.29%	168.64%	100.00%	125,587	129,273	
NET OPERATING INCOME	98,756	109,672	32,450	44,208	118,760	8.29%	168.64%	100.00%	125,587	129,273	
EXPENDITURE											
Employee Related Costs - Salaries & Wages	498,454	473,516	321,767	451,302	520,860	10.00%	15.41%	48.02%	554,716	587,999	
Employee Related Costs - Overtime	136,882	136,882	109,593	153,712	146,190	6.80%	-4.89%	13.48%	155,692	165,033	
Employee Related Costs - Social Contributions	133,741	133,741	94,560	131,570	133,626	-0.09%	1.56%	12.32%	142,312	150,851	
Less: Employee Related Costs - Salaries Capitalised	(1,073)	(1,073)	-	(337)	(1,073)	0.00%	218.09%	-0.10%	(1,143)	(1,211)	
Sub-Total: REMUNERATION	768,003	743,065	525,920	736,246	799,603	7.61%	8.61%	73.71%	851,578	902,672	
Repairs and Maintenance - External Contractors	19,241	20,182	13,439	29,059	20,452	1.34%	-29.62%	1.89%	21,577	22,764	
Repairs and Maintenance - Internal Maintenance Teams	5,469	5,498	4,279	5,706	5,934	7.93%	4.00%	0.55%	6,320	6,699	
Sub-Total: REPAIRS AND MAINTENANCE	24,710	25,680	17,719	34,765	26,386	2.75%	-24.10%	2.43%	27,897	29,463	
CONTRACTED SERVICES	181,210	182,443	107,493	176,952	180,557	-1.03%	2.04%	16.65%	190,487	205,726	
GENERAL EXPENSES	83,649	84,958	34,951	65,118	77,185	-9.15%	18.53%	7.12%	80,057	83,087	
TOTAL OPERATING EXPENDITURE	1,057,572	1,036,146	686,083	1,013,082	1,083,731	4.59%	6.97%	99.91%	1,150,019	1,220,948	
Internal Charges	882	882	649	743	996	12.82%	34.04%	0.09%	1,104	1,222	
NET OPERATING EXPENDITURE	1,058,454	1,037,029	686,732	1,013,825	1,084,727	4.60%	6.99%	100.00%	1,151,123	1,222,170	
OPERATING SURPLUS/(DEFICIT)	(959,699)	(927,357)	(654,282)	(969,617)	(965,967)	4.16%	-0.38%		(1,025,535)	(1,092,897)	
Contribution to Capital Budget	-	10,916	7,090	10,370	11,800	8.10%	13.79%		8,000	-	
NET OPERATING SURPLUS/(DEFICIT)	(959,699)	(938,273)	(661,372)	(979,987)	(977,767)	4.21%	-0.23%		(1,033,535)	(1,092,897)	

Capital Budget of the Ekurhuleni Metro Police Department

An amount of R91.9m for 2014/15, R96.5m for 2016/17 and R87.7m for the 2017/18 financial years have been provided for the Ekurhuleni Metro Police Department.

Department	Project Name	Capitalisation Investment Framework Category	CCA	Ward/s in which project is located	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
EMPD	Const Benoni Precinct	Urban Restructuring	Benoni	27	-	700,000	9,000,000
EMPD	Const EMPD Specialised Unit Offices	Urban Restructuring	Edenvale	20	-	3,000,000	8,500,000
EMPD	Const K9 Unit (Dog Unit)	Urban Restructuring	Boksburg	32	-	5,000,000	6,000,000
EMPD	Const Kempton Park Precinct	Urban Restructuring	Kempton Park	16	9,000,000	10,000,000	-
EMPD	Const Precinct Edleen	Urban Restructuring	Kempton Park	16	7,000,000	10,000,000	-
EMPD	Establishment of Equestrian Unit	Upgrading and Renewal	Benoni	25	1,500,000	300,000	-
EMPD	ICT Equipment (EMPD)	Upgrading and Renewal	Operational Equipment	Operational Equipment	2,000,000	2,000,000	2,000,000
EMPD	Office Furniture (EMPD)	Upgrading and Renewal	Operational Equipment	Operational Equipment	1,000,000	2,000,000	2,000,000
EMPD	Other Equipment (EMPD)	Upgrading and Renewal	Operational Equipment	Operational Equipment	695,000	1,000,000	1,200,000
EMPD	Refurbishment Boksburg Pound office	Upgrading and Renewal	Boksburg	22	1,000,000	3,000,000	-
EMPD	Refurbishment Brakpan Pound office	Upgrading and Renewal	Brakpan	74	1,000,000	-	-
EMPD	Refurbishment Logistics section	Upgrading and Renewal	Kempton Park	16	3,000,000	-	-
EMPD	Refurbishment of EMPD Headquarters	Upgrading and Renewal	Kempton Park	16	1,000,000	-	-
EMPD	Refurbishment Tembisa regional office	Upgrading and Renewal	Tembisa 1	6	2,000,000	-	-
EMPD	Specialized Equipment (EMPD)	Upgrading and Renewal	Operational Equipment	Operational Equipment	4,000,000	4,000,000	6,500,000
EMPD	Specialized Vehicles (2 SEATS OR LESS)	Upgrading and Renewal	Operational Equipment	Operational Equipment	2,000,000	2,500,000	2,500,000
EMPD	Vehicles (EMPD)(MORE THAN 2 SEATS)	Upgrading and Renewal	Operational Equipment	Operational Equipment	45,000,000	45,000,000	50,000,000
EMPD	Const Precinct Stations Tokoza	Urban Restructuring	Thokoza	56	3,800,000	-	-
EMPD	Const Tembisa Precinct	Urban Restructuring	Tembisa 1	6	8,000,000	8,000,000	-
					91,995,000	96,500,000	87,700,000

Expected outcomes from the implementation of the Capital Budget

The department seeks to render effective and efficient crime prevention, observance of laws and by-laws and traffic law enforcement. The quality of life of the community of Ekurhuleni is improved as the EMPD work in partnership with our communities to serve them within the parameters of the Constitution of South Africa as well as other relevant laws to promote a safe environment. This initiative also increases police visibility in the metro.

The total proposed budget for the department is R91.9m, and a total of R24m is earmarked for amongst others for the first phase of construction on the Kempton Park Precinct Station (R9m), the Edleen Precinct Station (R7m) and the Tembisa Precinct Station (R8m).

A total of R8m has also been earmarked for the refurbishment of various EMPD buildings, including the Boksburg and Brakpan pounds, the Logistics section, the EMPD Headquarters and the Tembisa regional office.

R47m has been provided for the purchasing of vehicles and specialised vehicles to address visible policing.

2.10.10 ENERGY

The result statements of the department is contained in the IDP in Annexure A

Key Strategic Projects of the Energy Department

NAME OF THE PROJECT	BRIEF DESCRIPTION
Solar lighting for informal settlements	Provision of four solar powered lights plus cell phone charger
One megawatt landfill gas projects	Generation of energy from methane gas at landfill sites
Building/Upgrading of Substations	Create transformer capacity and increase remaining useful life of substation
Electrification of subsidised households in Chief Albert Luthuli (Ext. 6), John Dube Village, Eden Park and Kwa Thema Ext 2	Electrification of stands
Lighting of areas	Provision of streetlights and high mast lights in certain areas

Operating Budget of the Energy Department

The Operating Budget of the Energy Department consists mainly of the repairs and maintenance and bulk purchases in terms of operating expenses and electricity sales in respect of operating income.

An amount of R514m is allocated for preventative maintenance of the electrical infrastructure and energy efficiency. A further amount of R154m is allocated for other repairs and maintenance.

Refurbishment / Preventative maintenance

Work with regard to the refurbishment budget is prioritised based on the department's approved asset management refurbishment programme and will be amended as and when

required in order to address newly identified priorities. Forced interruption statistics, local knowledge, asset age and inspection results are used to identify refurbishment projects. A detailed multi-year refurbishment plan has been compiled and is currently being implemented by the department.

Repairs and Maintenance

Repairs and maintenance forms part of the department's daily asset management activities. Repairs are carried out as and when required. Maintenance is done in accordance with the department's approved maintenance plan.

TARIFF INCREASES AND FREE BASIC ELECTRICITY

Increases

- Purchase of electricity was increased by 14.24% and sale of electricity by 12.2%. It is also assumed that there shall be 0% growth.

FBE

- 100 units per month for Tariff A users remains in place.
- It should be noted that the low IBT rates match those of Eskom, which results in a huge cross subsidisation from other customer segments.
- That is, EMM has a very low rate subsidised heavily by other customers and 100 units FBE. Change is required to avoid sustainability matters arising.

OPERATING INCOME

Tariffs were increased, in accordance with the guidelines of the meeting held with NERSA and National Treasury by 12.2%. In addition, the Energy Department will continue to focus efforts on accurate metering, a reduction in energy losses and migrate indigent customers to prepayment metering. Efforts to reduce meter tampering and illegal connections will continue, as will the fight against cable and copper theft. Finally, the continued installation of energy efficient streetlights and also LED signals for all traffic lights would assist in reducing energy consumption in municipal operations.

The Operating Budget per category is shown below.

Table 70 Operating Budget of the Energy Department

EKURHULENI METROPOLITAN MUNICIPALITY										
ENERGY										
FINANCIAL PERIOD	F00 R'000 ORG BUDGET	F00 R'000 ADJ BUDGET	F00 R'000 YEAR TO DATE	F00 R'000 PROJECTED	F01 R'000 2015/16	% B to B	% P to B	% Of Total	F02 R'000 2016/17	F03 R'000 2017/18
INCOME										
Interest Earned - Outstanding Debtors	36,720	36,720	42,701	56,935	50,000	36.17%	-12.18%	0.36%	54,000	58,320
Sub-total: PENALTIES AND INTEREST ON DEBTORS	36,720	36,720	42,701	56,935	50,000	36.17%	-12.18%	0.36%	54,000	58,320
Electricity Sales	11,393,024	11,394,958	8,483,487	11,311,317	12,800,314	12.33%	13.16%	92.38%	14,327,878	16,038,727
Departmental Usage	324,475	324,475	157,987	210,649	353,494	8.94%	67.81%	2.55%	381,783	412,688
Sub-total: NET ELECTRICITY SALES	11,717,499	11,719,433	8,641,474	11,521,965	13,153,808	12.24%	14.16%	94.93%	14,709,660	16,451,415
Total: USER CHARGES FOR SERVICES	11,717,499	11,719,433	8,641,474	11,521,965	13,153,808	12.24%	14.16%	94.93%	14,709,660	16,451,415
Disconnection Fees	6,389	6,389	4	5	-	-100.00%	0.00%	0.00%	-	-
Other Fines	4,890	4,890	6,506	8,675	6,779	38.61%	-21.86%	0.05%	7,287	7,833
Sub-Total: FINES	11,279	11,279	6,510	8,680	6,779	-39.90%	-21.90%	0.05%	7,287	7,833
LICENSES AND PERMITS										
Equitable Share	326,220	326,220	326,220	326,220	344,677	5.66%	0.00%	0.00%	376,936	417,312
Sub-Total: OPERATING GRANTS	326,220	326,220	326,220	326,220	344,677	5.66%	5.66%	2.49%	376,936	417,312
INEP	61,000	61,000	56,598	57,950	50,000	-18.03%	-13.72%	0.36%	40,000	30,000
Electricity Demand Side Management	10,000	17,500	9,337	16,625	14,000	-20.00%	-15.79%	0.10%	20,000	20,000
USDG	332,750	272,750	111,890	259,113	221,000	-18.97%	-14.71%	1.59%	304,600	284,600
Sub-Total: CAPITAL GRANTS	403,750	351,250	177,825	333,688	285,000	-18.86%	-14.59%	2.06%	364,600	334,600
SUNDRY INCOME	11,474	11,474	6,607	9,083	15,968	39.17%	75.80%	0.12%	16,846	17,773
TOTAL OPERATING INCOME	12,506,942	12,456,376	9,201,337	12,256,570	13,856,231	11.24%	13.05%	100.00%	15,529,330	17,287,254
NET OPERATING INCOME	12,506,942	12,456,376	9,201,337	12,256,570	13,856,231	11.24%	13.05%	100.00%	15,529,330	17,287,254

EKURHULENI METROPOLITAN MUNICIPALITY											
ENERGY											
FINANCIAL PERIOD	F00 R'000 ORG BUDGET	F00 R'000 ADJ BUDGET	F00 R'000 YEAR TO DATE	F00 R'000 PROJECTED	F01 R'000 2015/16	% B to B	% P to B	% Of Total	F02 R'000 2016/17	F03 R'000 2017/18	
EXPENDITURE											
Employee Related Costs - Salaries & Wages	318,493	311,939	199,296	279,528	334,606	7.27%	19.70%	2.58%	356,355	377,736	
Employee Related Costs - Overtime	36,679	36,679	42,167	59,142	39,173	6.80%	-33.77%	0.30%	41,719	44,222	
Employee Related Costs - Social Contributions	72,440	72,440	48,380	67,315	71,020	-1.96%	5.50%	0.55%	75,636	80,174	
Less: Employee Related Costs - Salaries Capitalised	(19,059)	(19,059)	-	(5,992)	(19,059)	0.00%	218.09%	-0.15%	(20,298)	(21,516)	
Less :Employee Related Costs - Salaries to R and M Intern	(240,926)	(241,126)	(180,777)	(241,036)	(261,559)	8.47%	8.51%	-2.01%	(278,560)	(295,274)	
Sub-Total: REMUNERATION	167,627	160,873	109,065	158,956	164,180	2.06%	3.29%	1.26%	174,852	185,343	
BAD DEBT PROVISION	683,623	683,623	512,717	683,623	777,776	13.77%	13.77%	5.99%	816,665	881,998	
COLLECTION COSTS	1,549	1,449	298	528	1,549	6.90%	193.22%	0.01%	1,634	1,724	
DEPRECIATION	512,513	512,513	384,385	512,513	529,240	3.26%	3.26%	4.08%	545,117	564,196	
Repairs and Maintenance - External Contractors	144,030	143,894	104,312	225,551	154,182	7.15%	-31.64%	1.19%	172,684	193,406	
Repairs and Maintenance - Electricity Maintenance Levy	452,846	452,846	232,994	503,795	514,061	13.52%	2.04%	3.96%	575,748	644,838	
Repairs and Maintenance - Internal Maintenance Teams	245,734	246,123	184,437	245,915	266,776	8.39%	8.48%	2.05%	284,116	301,163	
Sub-Total: REPAIRS AND MAINTENANCE	842,610	842,862	521,743	975,261	935,019	10.93%	-4.13%	7.20%	1,032,548	1,139,407	
INTEREST ON EXTERNAL BORROWINGS	169,857	169,867	95,499	145,704	188,104	10.74%	29.10%	1.45%	211,616	238,069	
Bulk Purchases - Electricity	7,623,482	7,623,472	5,515,835	7,471,532	8,709,055	14.24%	16.56%	67.06%	9,928,323	11,318,288	
Sub-Total: BULK PURCHASES	7,623,482	7,623,472	5,515,835	7,471,532	8,709,055	14.24%	16.56%	67.06%	9,928,323	11,318,288	
CONTRACTED SERVICES	164,551	164,621	81,362	133,935	162,137	-1.51%	21.06%	1.25%	171,054	184,739	
Grants & Subsidies Paid - Eskom & Excess consumption	69,537	69,537	55,683	82,628	69,537	0.00%	-15.84%	0.54%	77,882	87,227	
Grants & Subsidies Paid - Free Basic Services - Indigents	191,600	191,600	141,426	209,861	186,366	-2.73%	-11.20%	1.44%	208,730	233,777	
Sub-Total: Grants and Subsidies	261,137	261,137	197,110	292,490	255,903	-2.00%	-12.51%	1.97%	286,611	321,005	
GENERAL EXPENSES	144,825	126,266	73,283	136,536	118,463	-6.18%	-13.24%	0.91%	119,675	120,954	
TOTAL OPERATING EXPENDITURE	10,571,773	10,546,683	7,491,296	10,511,078	11,841,425	12.28%	12.66%	91.18%	13,288,096	14,955,723	
Internal Charges	773,228	773,228	687,793	787,153	1,144,742	48.05%	45.43%	8.82%	1,239,813	1,342,930	
NET OPERATING EXPENDITURE	11,345,001	11,319,911	8,179,089	11,298,231	12,986,167	14.72%	14.94%	100.00%	14,527,909	16,298,653	
OPERATING SURPLUS/(DEFICIT)	1,161,941	1,136,465	1,022,248	958,340	870,065	-23.44%	-9.21%		1,001,421	988,601	
Contribution to Capital Budget	403,750	351,250	177,825	333,688	285,000	-18.86%	-14.59%		364,600	334,600	
Total Transfers from Cash-Backed Reserves	196,218	196,218	147,164	196,218	147,164	-25.00%	-25.00%		98,109	49,055	
NET OPERATING SURPLUS/ (DEFICIT)	954,409	981,434	991,587	820,871	732,229	-25.39%	-10.80%		734,930	703,056	

Capital Budget of the Energy Department

An amount of R529.7m for 2015/16, R741.7m for 2016/17 and R721.7m for the 2017/18 financial years have been provided for the Energy Department.

The department has requested the following Capital Budget:

EKURHULENI METROPOLITAN MUNICIPALITY – FINAL BUDGET 2015/16 TO 2017/18

Department	Project Name	Capitalisation Investment Framework Category	CCA	Ward/s in which project is located	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
Energy	Palm Ridge Electrification	Urban Restructuring	Katlehong 1	40, 48, 49, 50, 51, 55, 59, 60, 61, 62, 63	15,000,000	30,000,000	30,000,000
Energy	Kwa-Thema Electrification	Urban Restructuring	Kwa Thema	77, 78, 79, 80, 81	10,000,000	20,000,000	20,000,000
Energy	Esselen Park Electrification	Urban Restructuring	Tembisa 1	91	1,000,000	-	-
Energy	Vila Lisa Ext Electrification	Urban Restructuring	Vosloorus	45	12,000,000	5,000,000	-
Energy	Eden Park Electrification	Urban Restructuring	Thokoza	53	15,000,000	-	-
Energy	Tinasonke Electrification	Urban Restructuring	Thokoza	53 & 57	14,000,000	-	-
Energy	Chief Albert Luthuli Electrification	Urban Restructuring	Benoni	24	10,000,000	20,000,000	20,000,000
Energy	Clayville Electrification	Urban Restructuring	Tembisa 2	1	10,000,000	20,000,000	20,000,000
Energy	Alra Park Electrification	Urban Restructuring	Nigel	88	18,000,000	-	-
Energy	Langaville Electrification	Urban Restructuring	Kwa Thema	77, 78, 79, 80, 81	15,000,000	25,000,000	30,000,000
Energy	Alberton Lighting	Urban Restructuring	Alberton	37, 38, 53	1,000,000	2,000,000	2,000,000
Energy	Alberton Network enhancement	Upgrading and Renewal	Alberton	37, 38, 53	4,000,000	5,000,000	5,000,000
Energy	Alberton Revenue enhancement	Economic Development	Alberton	37, 38, 53	4,000,000	7,200,000	7,200,000
Energy	Benoni Lighting	Urban Restructuring	Benoni	24, 27, 28, 29, 30	1,000,000	2,000,000	2,000,000
Energy	Benoni Network enhancement	Upgrading and Renewal	Benoni	24, 27, 28, 29, 30	4,000,000	5,000,000	5,000,000
Energy	Benoni Revenue enhancement	Economic Development	Benoni	24, 27, 28, 29, 30	4,000,000	7,200,000	7,200,000
Energy	Boksburg Lighting	Urban Restructuring	Boksburg	22, 32, 33, 34, 42	1,000,000	2,000,000	2,000,000
Energy	Boksburg Network enhancement	Upgrading and Renewal	Boksburg	22, 32, 33, 34, 42	8,000,000	10,000,000	10,000,000
Energy	Boksburg Revenue enhancement	Economic Development	Boksburg	22, 32, 33, 34, 42	4,000,000	7,200,000	7,200,000
Energy	Brakpan Lighting	Urban Restructuring	Brakpan	31, 73, 74	1,000,000	2,000,000	2,000,000
Energy	Brakpan Network enhancement	Upgrading and Renewal	Brakpan	31, 73, 74	4,000,000	5,000,000	5,000,000
Energy	Brakpan Revenue enhancement	Economic Development	Brakpan	31, 73, 74	4,000,000	7,200,000	7,200,000

EKURHULENI METROPOLITAN MUNICIPALITY – FINAL BUDGET 2015/16 TO 2017/18

Department	Project Name	Capitalisation Investment Framework Category	CCA	Ward/s in which project is located	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
Energy	INEP Electrification of Subsidized Housing (MOU with DOE)	Urban Restructuring	Multi CCA	Multi Wards	50,000,000	40,000,000	30,000,000
Energy	Energy Efficiency Projects (MOU with DOE)	Economic Development	Multi CCA	Multi Wards	14,000,000	20,000,000	20,000,000
Energy	Corporate ICT equipment	Upgrading and Renewal	Operational Equipment	Operational Equipment	1,600,000	2,000,000	2,000,000
Energy	Corporate Office furniture	Upgrading and Renewal	Operational Equipment	Operational Equipment	1,500,000	1,500,000	1,500,000
Energy	Corporate other equipment	Upgrading and Renewal	Operational Equipment	Operational Equipment	160,000	200,000	200,000
Energy	Corporate Specialized equipment	Upgrading and Renewal	Operational Equipment	Operational Equipment	3,500,000	4,000,000	4,000,000
Energy	Edenvale Munic substation	Economic Development	Edenvale	19	10,000,000	5,000,000	-
Energy	Esterpark substation	Economic Development	Kempton Park	17	20,000,000	10,000,000	-
Energy	Van Dyk / Salfin substation	Economic Development	Boksburg	31	5,000,000	25,000,000	30,000,000
Energy	Diens Street substation	Economic Development	Alberton	94	10,000,000	15,000,000	15,000,000
Energy	Germiston North Substation	Economic Development	Germiston	93	10,000,000	25,000,000	25,000,000
Energy	Atom Road Substation	Economic Development	Germiston	39	-	10,000,000	2,000,000
Energy	Edenpark substation	Economic Development	Alberton	53	10,000,000	5,000,000	15,000,000
Energy	Sunnyridge substation	Economic Development	Germiston	21	-	-	10,000,000
Energy	Hartebeest substation	Economic Development	Kempton Park	89 & 100	-	5,000,000	10,000,000
Energy	Debex substation	Economic Development	Springs	76	10,000,000	30,000,000	25,000,000
Energy	Russel Road substation	Economic Development	Germiston	36	-	5,000,000	10,000,000
Energy	Vulcania substation	Economic Development	Brakpan	74	-	-	5,000,000
Energy	J.P. Marais Substation	Economic Development	Benoni	72	-	10,000,000	20,000,000
Energy	Bulk Services to New Developments	Economic Development	Multi CCA	Multi Wards	20,000,000	30,000,000	33,000,000
Energy	Corporate vehicles	Upgrading and Renewal	Operational Equipment	Operational Equipment	15,000,000	15,000,000	15,000,000

EKURHULENI METROPOLITAN MUNICIPALITY – FINAL BUDGET 2015/16 TO 2017/18

Department	Project Name	Capitalisation Investment Framework Category	CCA	Ward/s in which project is located	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
Energy	Edenvale Lighting	Urban Restructuring	Edenvale	11, 12, 18, 19, 20	1,000,000	2,000,000	2,000,000
Energy	Edenvale Network enhancement	Upgrading and Renewal	Edenvale	11, 12, 18, 19, 20	4,000,000	5,000,000	5,000,000
Energy	Edenvale Revenue enhancement	Economic Development	Edenvale	11, 12, 18, 19, 20	4,000,000	7,200,000	7,200,000
Energy	Germiston Lighting	Urban Restructuring	Germiston	21, 35, 36, 39, 41	1,000,000	1,000,000	1,000,000
Energy	Germiston Network enhancement	Upgrading and Renewal	Germiston	21, 35, 36, 39, 41	10,000,000	15,000,000	15,000,000
Energy	Germiston Revenue enhancement	Economic Development	Germiston	21, 35, 36, 39, 41	6,000,000	10,000,000	10,000,000
Energy	Kempton Park Lighting	Urban Restructuring	Kempton Park	13, 15, 16, 17, 23, 25	1,000,000	1,000,000	1,000,000
Energy	Kempton Park Network enhancement	Upgrading and Renewal	Kempton Park	13, 15, 16, 17, 23, 25	9,000,000	12,000,000	12,000,000
Energy	Kempton Park Revenue enhancement	Economic Development	Kempton Park	13, 15, 16, 17, 23, 25	4,000,000	7,200,000	7,200,000
Energy	Nigel Lighting	Urban Restructuring	Nigel	88	1,000,000	1,000,000	1,000,000
Energy	Nigel Network enhancement	Upgrading and Renewal	Nigel	88	4,000,000	5,000,000	5,000,000
Energy	Nigel Revenue enhancement	Economic Development	Nigel	88	4,000,000	8,100,000	8,100,000
Energy	Solar Rooftop - Germiston	Urban Restructuring	Germiston	93	7,300,000	-	-
Energy	Solar Rooftop - Boksburg	Urban Restructuring	Boksburg	22	7,300,000	-	-
Energy	SWH and Heat pumps	Urban Restructuring	Edenvale	19,18,92	5,400,000	10,000,000	10,000,000
Energy	Solar Rooftop - Kemptonpark	Urban Restructuring	Kempton Park	16	-	8,000,000	8,000,000
Energy	Simmer & Jack Landfill site	Urban Restructuring	Germiston	36	-	11,000,000	11,000,000
Energy	Springs Lighting	Urban Restructuring	Springs	72, 75, 76	1,000,000	1,000,000	1,000,000
Energy	Springs Network enhancement	Upgrading and Renewal	Springs	72, 75, 76	4,000,000	5,000,000	5,000,000
Energy	Springs Revenue enhancement	Economic Development	Springs	72, 75, 76	4,000,000	8,100,000	8,100,000
Energy	Energy Gereneration from Gas Flares & Wells	Upgrading and Renewal	Brakpan	97,99,76,37	10,000,000	-	-
Energy	Mayfield Switching Station	Economic Development	Benoni	69 & 96	20,000,000	10,000,000	-
Energy	Crystal Park substation	Economic Development	Benoni	24	5,000,000	15,000,000	-

EKURHULENI METROPOLITAN MUNICIPALITY – FINAL BUDGET 2015/16 TO 2017/18

Department	Project Name	Capitalisation Investment Framework Category	CCA	Ward/s in which project is located	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
Energy	Phomolong substation	Economic Development	Edenvale	12	10,000,000	30,000,000	20,000,000
Energy	Tembisa substation	Economic Development	Tembisa 1	8	-	10,000,000	10,000,000
Energy	Daveyton Lighting	Urban Restructuring	Daveyton	68, 69, 70, 71	2,500,000	4,000,000	4,000,000
Energy	Daveyton Network enhancement	Upgrading and Renewal	Daveyton	68, 69, 70, 71	2,000,000	5,000,000	5,000,000
Energy	Duduza Lighting	Urban Restructuring	Duduza	84, 86, 87	2,500,000	4,000,000	4,000,000
Energy	Etwatwa Lighting	Urban Restructuring	Etwatwa	26, 65, 66, 67	2,500,000	2,500,000	2,500,000
Energy	Katlehong Lighting	Urban Restructuring	Katlehong 1	40, 48, 49, 50, 51, 55, 59, 60, 61, 62, 63	2,500,000	2,500,000	2,500,000
Energy	Kwa-Thema Lighting	Urban Restructuring	Kwa Thema	77, 78, 79, 80, 81	2,500,000	2,500,000	2,500,000
Energy	Kwa-Thema Network enhancement	Upgrading and Renewal	Kwa Thema	77, 78, 79, 80, 81	4,000,000	5,000,000	5,000,000
Energy	Kwa-Thema Revenue enhancement	Economic Development	Kwa Thema	77, 78, 79, 80, 81	4,000,000	10,000,000	10,000,000
Energy	Solar lighting - Mayfield Ex1 (Mangosotho)	Urban Restructuring	Daveyton	70	-	9,360,000	-
Energy	Solar lighting - Etwatwa Ext 35 (Combiza)	Urban Restructuring	Etwatwa	67	-	1,140,000	-
Energy	Solar lighting - Molele Ext 1&2 (Siphamadla)	Urban Restructuring	Katlehong 2	60	-	4,500,000	-
Energy	Solar lighting - Madelakufa (Igqagqa)	Urban Restructuring	Tembisa 1	6	-	3,000,000	-
Energy	Solar lighting - Hlahane	Urban Restructuring	Katlehong 1	51	-	1,250,000	-
Energy	Solar lighting - Umthambeka	Urban Restructuring	Edenvale	11	-	1,000,000	-
Energy	Solar lighting - Inxiweni	Urban Restructuring	Edenvale	11	-	750,000	-
Energy	Solar lighting - Duduza North	Urban Restructuring	Duduza	86	-	-	12,819,000
Energy	Solar lighting - Holomisa (Lindelani)	Urban Restructuring	Tsakane	99	-	-	5,019,000
Energy	Solar lighting - Ekuthuleni	Urban Restructuring	Kwa Thema	78	-	-	3,162,000
Energy	Tembisa 2 Lighting	Urban Restructuring	Tembisa 2	1, 2, 3, 4, 7	2,500,000	2,500,000	2,500,000
Energy	Tembisa 2 Network enhancement	Upgrading and Renewal	Tembisa 2	1, 2, 3, 4, 7	4,000,000	5,000,000	5,000,000
Energy	Tembisa 2 Revenue enhancement	Economic Development	Tembisa 2	1, 2, 3, 4, 7	4,000,000	7,200,000	7,200,000

Department	Project Name	Capitalisation Investment Framework Category	CCA	Ward/s in which project is located	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
Energy	Tembisa Lighting	Urban Restructuring	Tembisa 1	5, 6, 7, 8, 9, 10, 14	2,500,000	2,500,000	2,500,000
Energy	Tembisa Network enhancement	Upgrading and Renewal	Tembisa 1	5, 6, 7, 8, 9, 10, 14	4,000,000	5,000,000	5,000,000
Energy	Tembisa Revenue enhancement	Economic Development	Tembisa 1	5, 6, 7, 8, 9, 10, 14	4,000,000	7,200,000	7,200,000
Energy	Thokoza Lighting	Urban Restructuring	Thokoza	52, 54, 56, 57, 58	2,500,000	2,500,000	2,500,000
Energy	Thokoza Network enhancement	Upgrading and Renewal	Thokoza	52, 54, 56, 57, 58	4,000,000	10,000,000	10,000,000
Energy	Thokoza Revenue enhancement	Upgrading and Renewal	Thokoza	52, 54, 56, 57, 58	4,000,000	7,200,000	7,200,000
Energy	Tsakane Lighting	Urban Restructuring	Tsakane	82, 83, 85	2,500,000	2,500,000	2,500,000
Energy	Tsakane Network enhancement	Upgrading and Renewal	Tsakane	82, 83, 85	4,000,000	5,000,000	5,000,000
Energy	Vosloorus Lighting	Urban Restructuring	Vosloorus	43, 44, 45, 46, 47, 64	2,500,000	2,500,000	2,500,000
Energy	Vosloorus Network enhancement	Upgrading and Renewal	Vosloorus	43, 44, 45, 46, 47, 64	1,000,000	1,000,000	1,000,000
Energy	Vosloorus Revenue enhancement	Economic Development	Vosloorus	43, 44, 45, 46, 47, 64	2,000,000	3,000,000	3,000,000
					529,760,000	741,700,000	721,700,000

Expected outcomes from the implementation of the Capital Budget

Amongst others, the strategic focus of the Energy Department is:

- To reduce the overall purchases from Eskom to create space for new development (renewable energy and demand side management).
 - Reduce non-technical losses of electricity.
 - Set up sustainable supportive processes to strive towards achieving this target.
 - In the medium-term, create an online (smart) grid, which can be monitored continuously.
- To generate adequate revenue to ensure that the entire revenue chain is effective.
- To provide alternative energy solutions.
- To provide street and area lighting.
- To ensure the proper protection of electricity meters.

The energy budget addresses refurbishment and renewal of electricity infrastructure assets to ensure that the electricity service remains sustainable and reliable. Electrification continues unabated and numbers approaching 10 000 new connections will be added in the 2015/16 financial year. Similarly, high mast and street lighting networks will continue to be expanded.

The total Capital Budget of the department is R529.7 m. Some of the key projects on the 2015/16 financial year include:

- R34m for the installation of street and high mast lighting where required in all CCAs.
- R56m for revenue enhancement for the installation of protective structures and pre-payment meters to prevent electricity theft, vandalism and for safety.

- R74m for the network strengthening as well as enhancement to cater for growth and expansion.
- R170m for electrification projects.
- R24m for energy efficiency projects funded from grants.
- R140m for building and also upgrading and renewal of substations.

2.10.11 ENVIRONMENTAL RESOURCE MANAGEMENT

The budget of the department includes provision for the five divisions namely:

1. Strategic Planning Environmental
2. Environmental Protection and Resilience
3. Legislative Compliance
4. Infrastructure Planning and Coordination
5. Support Services

The result statements of the department is contained in the IDP in Annexure A.

Flagship Projects as pronounced by the Executive Mayor

Beautification of Lakes and Dams

The beautification of lakes, dams and pans project will create an attractive environment contributing to the city being a preferred destination for investment, home for water sport, water economics and hospitality.

The progress to date:

- A tender for the master plan for management of water bodies in EMM has been advertised and appointment finalized in 2014/2015.
- Murray Park Phase 1 upgrade: Construction of parking area, playground area, upgrade of ablutions, landscaping. Upgrade infrastructure – water, electricity, sewerage
- Erosion infrastructures in the form of Weirs and Gabions have been constructed at Tsongweni and Rietfontein wetlands as part of the rehabilitation process.
- A principle agreement has been concluded on a Private-Public Partnership on Dams and Lakes
- Maintenance of lakes and dams to improve the aesthetics and functionality of the aquatic ecosystem is partly outsourced for creation of job opportunities.

NAME OF THE PROJECT	BRIEF DESCRIPTION
Upgrading of Ambient Air Quality Monitoring Station	EMM has a network of ten air quality monitoring stations. The project entails the installation analysers, data loggers and the communication system to comply with Department of Environmental Affairs and South African Air Quality Industry Standards reporting requirements and installation of security cameras at the stations.
Rehabilitation of Boksburg Lake	Conducting specialist studies to establish the sources and quality of pollution in the lake and to devise effective mechanisms and options to deal with the current contaminated sludge in the lake.
Rehabilitation of Natalspruit Catchment	Rehabilitation of the Withokspruit wetlands in Brakpan. Activities include building gabions and weirs and re-wetting of the wetland to return the wetlands back to the natural status

The planned activities for 2015/16 were related to the following:

- Complete master plan for water bodies in EMM
- Implement the Memorandum of Understanding between EMM and South African Maritime Safety Authority
- Undertake beautification and rehabilitation at identified lakes, dams and wetlands in EMM- including Boksburg Lake and Natalspruit catchment amongst others.

Operating Budget of the Environmental Resource Management Department

A large portion of the budget goes to employee-related costs. Productivity and effective management of personnel therefore equals, to a large extent, effective budget management. Contractors will be managed well to ensure that the department receives value for money. Repairs and maintenance expenditure is relatively small but will nevertheless be well managed. The operating budget will respond to the following key performance areas:

1. Finalisation and implementation of Greening of EMM by-laws.
2. Finalisation and implementation of all Departmental Environmental Service Level Agreements.
3. Implementation of the Climate Change Strategy.
4. Development and implementation of all relevant Departmental Climate Change Response Plans.
5. Development and implementation of Environmental Sustainability Benchmark Guidelines for internal Departments.
6. Development and implementation of Environmental Management Frameworks (EMFs)
7. Development and updating of Environmental GIS toolkit.
8. Celebration of important Environmental Awareness theme Days and conduct Carbon Foot printing studies for the city
9. Investigation of environmental contraventions by the regulated community, including listed activity industries operating without licenses.
10. Collection of evidence and compilation of EMI dockets for presentation to environmental prosecutors
11. Updating of the environmental sensitivity layers in the Ekurhuleni GIS system.
12. Holding a workshop on the new EIA Regulations for relevant EMM employees
13. Holding a workshop on the new NEMA S30 Regulations for relevant EMM employees

The Operating Budget per category is attached hereto.

Table 71 Operating Budget of the Environmental Resource Management Department

EKURHULENI METROPOLITAN MUNICIPALITY												
ENVIRON RESOURCE MANAGEMENT												
FINANCIAL PERIOD	F00 R'000	F00 R'000	F00 R'000	F00 R'000	F00 R'000	F00 R'000	F01 R'000	%	%	%	F02 R'000	F03 R'000
EMENT	ORG BUDGET	ADJ BUDGET	YEAR TO DATE	PROJECTED	2015/16	B to B	P to B	Of Total			2016/17	2017/18
INCOME												
MINOR INCOME												
Total: USER CHARGES FOR SERVICES	-	-	-	-	28,715	100.00%	100.00%	53.11%			30,151	31,658
RENT OF FACILITIES AND EQUIPMENT	-	-	-	-	28,715	100.00%	100.00%	53.11%			30,151	31,658
Provincial Operating Grants	-	-	-	-	664	100.00%	100.00%	1.23%			717	775
Sub-Total: OPERATING GRANTS	-	562	-	562	-	-100.00%	0.00%	0.00%			-	-
USDG	-	562	-	562	-	-100.00%	0.00%	0.00%			-	-
Sub-Total: CAPITAL GRANTS	4,000	1,500	-	1,425	22,500	1400.00%	1478.95%	41.61%			16,000	13,500
SUNDRY INCOME	4,000	1,500	-	1,425	22,500	1400.00%	1478.95%	41.61%			16,000	13,500
TOTAL OPERATING INCOME	-	-	-	-	2,190	100.00%	100.00%	4.05%			2,310	2,437
NET OPERATING INCOME	4,000	2,062	-	1,987	54,069	2522.60%	2621.61%	100.00%			49,178	48,370
	4,000	2,062	-	1,987	54,069	2522.60%	2621.61%	100.00%			49,178	48,370
EXPENDITURE												
Employee Related Costs - Salaries & Wages	22,166	20,465	11,693	16,400	353,137	1625.54%	2053.22%	52.85%			376,091	398,656
Employee Related Costs - Overtime	103	103	52	73	9,703	9365.53%	13191.23%	1.45%			10,334	10,954
Employee Related Costs - Social Contributions	1,855	1,855	1,128	1,569	86,319	4554.30%	5400.04%	12.92%			91,930	97,446
Less: Employee Related Costs - Salaries Capitalised	(753)	(753)	-	(237)	(4,061)	439.62%	1616.45%	-0.61%			(4,325)	(4,584)
Sub-Total: REMUNERATION	23,371	21,670	12,873	17,806	445,099	1954.00%	2399.66%	66.61%			474,030	502,472
DEPRECIATION	26,972	26,972	20,229	26,972	27,852	3.26%	3.26%	4.17%			28,688	29,692
Repairs and Maintenance - External Contractors	8,033	7,519	1,415	3,060	66,484	784.25%	2072.35%	9.95%			72,841	79,818
Repairs and Maintenance - Internal Maintenance Teams	84	84	29	38	6,338	7407.99%	16539.80%	0.95%			6,750	7,155
Sub-Total: REPAIRS AND MAINTENANCE	8,118	7,603	1,444	3,099	72,822	857.80%	2250.19%	10.90%			79,591	86,973
CONTRACTED SERVICES	-	-	-	-	70,443	100.00%	100.00%	10.54%			74,317	80,263
GENERAL EXPENSES	6,104	6,174	1,696	3,160	35,116	468.80%	1011.24%	5.26%			36,372	37,697
OPERATING GRANTS EXPENDITURE	-	562	-	-	-	-100.00%	0.00%	0.00%			-	-
TOTAL OPERATING EXPENDITURE	64,564	62,980	36,242	51,037	651,333	934.18%	1176.20%	97.47%			692,999	737,097
Internal Charges	-	-	-	-	16,904	100.00%	100.00%	2.53%			18,630	20,403
NET OPERATING EXPENDITURE	64,564	62,980	36,242	51,037	668,237	961.02%	1209.32%	100.00%			711,629	757,500
	64,564	62,980	36,242	51,037	668,237	961.02%	1209.32%	100.00%			711,629	757,500
OPERATING SURPLUS/(DEFICIT)												
Contribution to Capital Budget	(60,564)	(60,919)	(36,242)	(49,050)	(614,168)	908.18%	1152.12%				(662,451)	(709,130)
Total Transfers from Cash-Backed Reserves	2,715	2,715	2,037	2,715	22,500	1400.00%	1478.95%				16,000	13,500
NET OPERATING SURPLUS/(DEFICIT)	(61,849)	(59,703)	(34,206)	(47,760)	(634,632)	962.98%	1228.80%				(677,093)	(721,951)

Capital Budget of the Environmental Resource Management Department

An amount of R149.0m for 2015/16, R160.2m for 2016/17 and R168.2m for the 2017/18 financial years have been provided for the Environmental Resource Management Department

The department has requested the following Capital Budget:

Department	Project Name	Capitalisation Investment Framework Category	CCA	Ward/s in which project is located	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
Environmental Resources Management	ICT Equipment	Upgrading and Renewal	Operational Equipment	Operational Equipment	525,000	525,000	500,000
Environmental Resources Management	ICT Equipment	Upgrading and Renewal	Operational Equipment	Operational Equipment	-	200,000	-
Environmental Resources Management	ICT Equipment	Upgrading and Renewal	Operational Equipment	Operational Equipment	-	250,000	-
Environmental Resources Management	Office Furniture	Upgrading and Renewal	Operational Equipment	Operational Equipment	450,000	400,000	400,000
Environmental Resources Management	Other Equipment	Upgrading and Renewal	Operational Equipment	Operational Equipment	250,000	250,000	300,000
Environmental Resources Management	Rehabilitation of the Boksburg lake	Upgrading and Renewal	Boksburg	22	1,000,000	3,500,000	3,500,000
Environmental Resources Management	Rehabilitation of the Natalspruit Catchment: Withok Estate	Urban Restructuring	Tsakane	99	2,000,000	2,000,000	2,000,000
Environmental Resources Management	Rehabilitation: Degraded Wetlands/ Catchment: Illiondale	Urban Restructuring	Edenvale	18	1,500,000	1,800,000	1,800,000
Environmental Resources Management	Specialised Equipment	Upgrading and Renewal	Operational Equipment	Operational Equipment	1,000,000	1,000,000	500,000
Environmental Resources Management	Upgrading of Ambient Air Quality Monitoring Stations	Upgrading and Renewal	Operational Equipment	Operational Equipment	4,000,000	4,000,000	4,000,000
Environmental Resources Management	Alarms: Metro Parks Facilities	Upgrading and Renewal	Operational Equipment	Operational Equipment	500,000	700,000	700,000
Environmental Resources Management	Construct Metro Parks Depots	Upgrading and Renewal	Kwa Thema	78	2,000,000	4,000,000	3,000,000
Environmental Resources Management	Construct Metro Parks Depots	Upgrading and Renewal	Springs	88	1,000,000	-	-

EKURHULENI METROPOLITAN MUNICIPALITY – FINAL BUDGET 2015/16 TO 2017/18

Department	Project Name	Capitalisation Investment Framework Category	CCA	Ward/s in which project is located	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
Environmental Resources Management	Construct Metro Parks Depots	Upgrading and Renewal	Duduza	98	1,000,000	2,000,000	4,000,000
Environmental Resources Management	Construct Metro Parks Depots	Upgrading and Renewal	Katlehong 2	101	1,000,000	-	-
Environmental Resources Management	Construct Metro Parks Depots	Upgrading and Renewal	Tembisa 1	5	-	-	2,000,000
Environmental Resources Management	Construct Metro Parks Depots	Upgrading and Renewal	Thokoza	52	-	-	2,000,000
Environmental Resources Management	Develop and upgrade cemeteries in the east	Upgrading and Renewal	Duduza	98	14,000,000	14,000,000	15,000,000
Environmental Resources Management	Develop/Upgrade Cemeteries	Upgrading and Renewal	Corporate	32,40,77,67,8	-	-	-
Environmental Resources Management	Develop/Upgrade Cemeteries: Boksburg Sub-Regional	Upgrading and Renewal	Boksburg	32	1,500,000	1,000,000	1,000,000
Environmental Resources Management	Develop/Upgrade Cemeteries: Phumlani	Upgrading and Renewal	Etwatwa	67	-	1,000,000	2,000,000
Environmental Resources Management	Develop/Upgrade Cemeteries	Upgrading and Renewal	Katlehong 1	40	-	2,000,000	2,000,000
Environmental Resources Management	Develop/Upgrade Cemeteries	Upgrading and Renewal	Kwa Thema	77	-	2,000,000	1,000,000
Environmental Resources Management	Develop/Upgrade Cemeteries: Ililiba	Upgrading and Renewal	Tembisa 2	8	-	1,000,000	2,000,000
Environmental Resources Management	Develop/Upgrade Cemeteries: Kromvlei	Upgrading and Renewal	Germiston	38	1,500,000	2,500,000	1,000,000
Environmental Resources Management	Develop/Upgrade Cemeteries: Cambrian	Upgrading and Renewal	Boksburg	43	-	2,500,000	2,500,000
Environmental Resources Management	Develop/Upgrade Community Parks	Upgrading and Renewal	Corporate	29,42,49,72	-	-	-
Environmental Resources Management	Develop/Upgrade Community Parks: Actonville	Upgrading and Renewal	Benoni	29	2,500,000	2,000,000	3,000,000
Environmental Resources Management	Develop/Upgrade Community Parks: Graceland	Upgrading and Renewal	Boksburg	42	1,000,000	1,500,000	2,500,000

EKURHULENI METROPOLITAN MUNICIPALITY – FINAL BUDGET 2015/16 TO 2017/18

Department	Project Name	Capitalisation Investment Framework Category	CCA	Ward/s in which project is located	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
Environmental Resources Management	Develop/Upgrade Community Parks: Derseerly	Upgrading and Renewal	Springs	72	1,000,000	1,000,000	2,000,000
Environmental Resources Management	Develop/Upgrade Conservation Areas: Alberton Dam	Upgrading and Renewal	Alberton	37	1,000,000	1,000,000	-
Environmental Resources Management	Develop/Upgrade Conservation Areas: Nigel Game Reserve	Upgrading and Renewal	Nigel	88	-	1,000,000	4,000,000
Environmental Resources Management	Develop/Upgrade Conservation Areas: Rondebult	Upgrading and Renewal	Germiston	41	1,000,000	1,000,000	1,000,000
Environmental Resources Management	Develop/Upgrade Conservation Areas: Nyoni Park	Upgrading and Renewal	Vosloorus	47	1,500,000	4,000,000	2,000,000
Environmental Resources Management	Develop/Upgrade Regional Parks	Upgrading and Renewal	Corporate	65,64,82,85,20	-	-	-
Environmental Resources Management	Develop/Upgrade Regional Parks: Gilllols Park	Upgrading and Renewal	Edenvale	20	1,000,000	1,000,000	10,000,000
Environmental Resources Management	Develop: Cemeteries - Berms	Upgrading and Renewal	Corporate	32,30,38,43,75	-	-	-
Environmental Resources Management	Develop: Cemeteries - Berms: Kromvlei	Upgrading and Renewal	Alberton	38	1,000,000	1,000,000	-
Environmental Resources Management	Develop: Cemeteries - Berms: Cambrian, Boksburg SubRegional	Upgrading and Renewal	Boksburg	43,32	1,000,000	2,000,000	3,000,000
Environmental Resources Management	Develop: Cemeteries - Berms: Petersfield	Upgrading and Renewal	Springs	75	1,000,000	-	-
Environmental Resources Management	Develop: Cemeteries - Berms: Lala Ngoxolo	Upgrading and Renewal	Benoni	30	-	-	1,000,000
Environmental Resources Management	Development of Town Entrances	Upgrading and Renewal	Benoni	29	200,000	-	-
Environmental Resources Management	Development of Town Entrances	Upgrading and Renewal	Kempton Park	16	200,000	-	-
Environmental Resources Management	Development of Town Entrances	Upgrading and Renewal	Germiston	17	100,000	200,000	-
Environmental Resources Management	Development of Town Entrances	Upgrading and Renewal	Edenvale	18	-	-	300,000
Environmental Resources Management	Development of Town Entrances	Upgrading and Renewal	Tsakane	82	-	100,000	200,000

EKURHULENI METROPOLITAN MUNICIPALITY – FINAL BUDGET 2015/16 TO 2017/18

Department	Project Name	Capitalisation Investment Framework Category	CCA	Ward/s in which project is located	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
Environmental Resources Management	Develop/Upgrade Community Parks: Derseerly	Upgrading and Renewal	Springs	72	1,000,000	1,000,000	2,000,000
Environmental Resources Management	Development of Town Entrances	Upgrading and Renewal	Duduza	98	-	100,000	200,000
Environmental Resources Management	Development of Town Entrances	Upgrading and Renewal	Thokoza	59	-	100,000	200,000
Environmental Resources Management	Development of Town Entrances	Upgrading and Renewal	Katlehong 1	48,101	-	-	300,000
Environmental Resources Management	Development of Town Entrances	Upgrading and Renewal	Vosloorus	44,47,64	-	-	300,000
Environmental Resources Management	Development of Town Entrances	Upgrading and Renewal	Kwa Thema	77	-	-	300,000
Environmental Resources Management	Development of Town Entrances	Upgrading and Renewal	Tembisa 2	4,2,10	-	-	200,000
Environmental Resources Management	Fencing ; Metro Parks Facilities: Phase 3	Upgrading and Renewal	Vosloorus	44	-	500,000	-
Environmental Resources Management	Fencing ; Metro Parks Facilities: Phase 3	Upgrading and Renewal	Boksburg	23	-	500,000	-
Environmental Resources Management	Fencing ; Metro Parks Facilities: Phase 3	Upgrading and Renewal	Springs	88	1,000,000	-	-
Environmental Resources Management	ICT Equipment	Upgrading and Renewal	Operational Equipment	Operational Equipment	750,000	1,000,000	1,000,000
Environmental Resources Management	Murray Park	Upgrading and Renewal	Springs	72	7,000,000	6,000,000	-
Environmental Resources Management	New cemetery in South	Upgrading and Renewal	Corporate	All wards	25,000,000	16,000,000	15,000,000
Environmental Resources Management	Office furniture	Upgrading and Renewal	Operational Equipment	Operational Equipment	300,000	300,000	300,000
Environmental Resources Management	Other Equipment	Upgrading and Renewal	Operational Equipment	Operational Equipment	75,000	100,000	100,000
Environmental Resources Management	Playground Equipment	Upgrading and Renewal	Benoni	29	250,000	300,000	400,000
Environmental Resources Management	Playground Equipment	Upgrading and Renewal	Boksburg	42	250,000	300,000	400,000

EKURHULENI METROPOLITAN MUNICIPALITY – FINAL BUDGET 2015/16 TO 2017/18

Department	Project Name	Capitalisation Investment Framework Category	CCA	Ward/s in which project is located	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
Environmental Resources Management	Develop/Upgrade Community Parks: Derseerly	Upgrading and Renewal	Springs	72	1,000,000	1,000,000	2,000,000
Environmental Resources Management	Development of Town Entrances	Upgrading and Renewal	Duduza	98	-	100,000	200,000
Environmental Resources Management	Playground Equipment	Upgrading and Renewal	Katlehong 1	49	250,000	300,000	400,000
Environmental Resources Management	Playground Equipment	Upgrading and Renewal	Springs	72	250,000	300,000	400,000
Environmental Resources Management	Purchase Specialized Equipment	Upgrading and Renewal	Operational Equipment	Operational Equipment	7,000,000	10,000,000	10,000,000
Environmental Resources Management	Software: Cemetery management system	Upgrading and Renewal	Operational Equipment	Operational Equipment	500,000	1,000,000	1,000,000
Environmental Resources Management	Specialised Equipment	Upgrading and Renewal	Operational Equipment	Operational Equipment	730,000	-	-
Environmental Resources Management	Vehicles - More Than 2 seats	Upgrading and Renewal	Operational Equipment	Operational Equipment	3,000,000	5,000,000	5,000,000
Environmental Resources Management	Vehicles - Two seats and less	Upgrading and Renewal	Operational Equipment	Operational Equipment	40,500,000	40,000,000	40,000,000
Environmental Resources Management	Re-generate - 9 Township entrances beautified and branded	Upgrading and Renewal	Corporate	All wards	8,000,000	-	-
Environmental Resources Management	Develop/Upgrade Community Parks: Phake	Upgrading and Renewal	Katlehong 1	49	1,000,000	2,000,000	2,500,000
Environmental Resources Management	Develop/Upgrade Regional Parks	Upgrading and Renewal	Etwatwa	65	1,500,000	4,000,000	-
Environmental Resources Management	Develop/Upgrade Regional Parks: Ukusuka Park	Upgrading and Renewal	Vosloorus	64	4,700,000	-	-
Environmental Resources Management	Develop/Upgrade Regional Parks	Upgrading and Renewal	Tsakane	82,85	1,000,000	2,000,000	2,000,000
Environmental Resources Management	Develop/Upgrade Regional Parks: Winnie Mandela	Upgrading and Renewal	Tembisa 2	3	300,000	8,000,000	8,000,000
					149,080,000	160,225,000	168,200,000

Expected outcomes from the implementation of the Capital Budget

The mandate of the Environmental Resources Management Department is to serve the broad EMM community by rendering sustainable ecosystems goods and services, by providing eco-recreational facilities, creating a safe and a healthy environment as stated in Section 27 of the Constitution of the Republic of South Africa and other related environmental legislation imperatives. These enable the department to advocate for sustainable development and economic growth. The key strategic performance areas of the department include but are not limited to the following:

- Development and implementation of Environmental Management policies, strategies and plans to promote good governance and practise.
- Climate Change Response and adaptation through Air Quality Management.
- Open space protection and provisioning through dams, lakes, river systems, pans and wetlands rehabilitation
- Provide environmental regulatory services on legislated listed activities and service delivery operational activities that might require Environmental Impact Assessment
- Mainstreaming of sustainable development principles in the city wide planning processes
- Creation of an environmentally aware, educated and capacitated population through influencing public behavioural change

The department has identified five key performance areas namely, reduction of pollution, catchment management, mitigation and adaptation to effect climate change, environmental governance (internal and external) and environmental awareness, education and capacity building.

The Capital Budget will ensure the following:

1. Improved ambient air quality monitoring and interventions.
 2. Rehabilitation and restoration of degraded areas.
 3. Good environmental engineering to enhance adaptation and built resilience against climate change risks and challenges.
 4. Well informed and structured decisions through specialist studies to advise intended interventions in preparation of wetlands rehabilitation of other degraded wetlands and catchments.
 5. Improved working tools based on best environmental practise to aid service delivery.
- R14m for Development and upgrade of cemeteries in the east. Real Estate is in the process of acquiring suitable land for the extension of the cemetery.
 - R43.5m for upgrading of existing fleet. R40.5m of this budget will be utilised to acquire new vehicles for the Parks and Cemeteries Division. The new fleet will be utilised to replace a huge portion of the existing unreliable fleet that have exceeded their expected lifespan.
 - R22.5m for development/upgrading regional parks, community parks. Included in this amount is the R7m provision for the upgrading of Murray Park which includes the completion of the upgrade of buildings, landscaping and additional play equipment.
 - R31m for upgrading cemeteries. Continuing upgrade of Kromvlei, Cambrian and Phumlani Cemeteries as well as the new cemetery in the South

2.10.12 ENTERPRISE PROJECT MANAGEMENT OFFICE (EPMO)

The result statements of the department are contained in the 2014/15 – 2016/17 IDP (Annexure A)

Key Strategic Projects of the EPMO

- Improved project management maturity level across EMM; and
- Improved capital expenditure against the budget for capital projects.

Operating Budget of the EPMO

The 2015/16 EPMO Operational Expenditure Budget comprises mainly staff remuneration. Consultant fees (part of General Expenses) of R20m is budgeted for the project management system.

The budget for consultant fees is charged out to capital projects, which resulted in the amount charged out from Salaries.

This amount is part of the original budget allocation of R48m that was provided for the development of the afore-mentioned system which includes a methodology and a management information system in 2014/15. The project is budgeted over 2 years from 2014/15.

Capital Budget of the EPMO

An amount of R3.18m for 2015/16, R220 000 for 2016/17 and R220 000 for the 2017/18 financial years have been provided for the EPMO Department.

The department has requested the following Capital Budget:

Department	Project Name	Capitalisation Investment Framework Category	CCA	Ward/s in which project is located	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
EPMO	ICT Equipment	Upgrading and Renewal	Operational Equipment	Operational Equipment	80,000	100,000	100,000
EPMO	Office furniture	Upgrading and Renewal	Operational Equipment	Operational Equipment	80,000	100,000	100,000
EPMO	Other Equipment	Upgrading and Renewal	Operational Equipment	Operational Equipment	20,000	20,000	20,000
EPMO	Project Management System	Upgrading and Renewal	Operational Equipment	Operational Equipment	3,000,000	-	-
					3,180,000	220,000	220,000

Table 72 Operating Budget of the Enterprise Project Management Office (EPMO)

EKURHULENI METROPOLITAN MUNICIPALITY											
ENTERPRISE PROGRAMME MANAGEMENT OFFICE											
FINANCIAL PERIOD MANAGEMENT OFFICE	F00 R'000	F00 R'000	F00 R'000	F00 R'000	F00 R'000	F01 R'000	% B to B	% P to B	% Of Total	F02 R'000	F03 R'000
	ORG BUDGET	ADJ BUDGET	YEAR TO DATE	PROJECTED	2015/16					2016/17	2017/18
EXPENDITURE											
Employee Related Costs - Salaries & Wages	13,734	13,734	9,625	13,500	15,901	15.78%	17.78%	84.90%		16,934	17,951
Employee Related Costs - Overtime	23	23	6	9	24	6.80%	176.39%	0.13%		26	27
Employee Related Costs - Social Contributions	401	401	155	215	1,577	292.86%	632.51%	8.42%		1,680	1,781
Less: Employee Related Costs - Salaries Capitalised	(48,000)	(28,000)	-	(8,803)	(20,000)	-28.57%	127.20%	-106.79%		(21,300)	(22,578)
Sub-Total: REMUNERATION	(33,842)	(13,842)	9,786	4,922	(2,498)	-81.96%	-150.75%	-13.34%		(2,660)	(2,820)
GENERAL EXPENSES	48,982	28,982	15,837	29,506	21,226	-26.76%	-28.06%	113.34%		22,543	23,840
TOTAL OPERATING EXPENDITURE	15,140	15,140	25,623	34,427	18,728	23.70%	-45.60%	100.00%		19,883	21,020
NET OPERATING EXPENDITURE	15,140	15,140	25,623	34,427	18,728	23.70%	-45.60%	100.00%		19,883	21,020
OPERATING SURPLUS/(DEFICIT)	(15,140)	(15,140)	(25,623)	(34,427)	(18,728)	23.70%	-45.60%			(19,883)	(21,020)
NET OPERATING SURPLUS/ (DEFICIT)	(15,140)	(15,140)	(25,623)	(34,427)	(18,728)	23.70%	-45.60%			(19,883)	(21,020)

2.10.13 EXECUTIVE OFFICE

The Executive Office cost centre is the cost centre of the executive arm of the political office being the Office of the Executive Mayor and the Members of Mayoral Committee.

Capital Budget of the Executive Office Department

An amount of R2.9m for 2015/16 and R14.5m for 2016/17 and R5.3m has been provided for operational equipment for the office of the Executive as well as those of the MMCs.

The department has requested the following Capital Budget:

Department	Project Name	Capitalisation Investment Framework Category	CCA	Ward/s in which project is located	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
Executive Office	ICT Equipment	Upgrading and Renewal	Operational Equipment	Operational Equipment	1,000,000	1,000,000	300,000
Executive Office	ICT Equipment	Upgrading and Renewal	Operational Equipment	Operational Equipment	645,000	1,000,000	500,000
Executive Office	Office Furniture	Upgrading and Renewal	Operational Equipment	Operational Equipment	200,000	1,500,000	1,000,000
Executive Office	Office Furniture	Upgrading and Renewal	Operational Equipment	Operational Equipment	500,000	1,000,000	1,000,000
Executive Office	Other Equipment	Upgrading and Renewal	Operational Equipment	Operational Equipment	100,000	500,000	500,000
Executive Office	Other Equipment	Upgrading and Renewal	Operational Equipment	Operational Equipment	468,000	500,000	500,000
Executive Office	Vehicles	Upgrading and Renewal	Operational Equipment	Operational Equipment	-	-	500,000
Executive Office	Vehicles (MMCs)	Upgrading and Renewal	Operational Equipment	Operational Equipment	-	9,000,000	1,000,000
					2,913,000	14,500,000	5,300,000

Operating Budget of the Executive Office Department

The budget consists mainly of salaries, councillor remuneration and operational expenditure-related to the administration of the function.

Table 73 Operating Budget of the Executive Office Department

EKURHULENI METROPOLITAN MUNICIPALITY										
EXECUTIVE OFFICE										
FINANCIAL PERIOD										
F00 R'000 ORG BUDGET	F00 R'000 ADJ BUDGET	F00 R'000 YEAR TO DATE	F00 R'000 PROJECTED	F01 R'000 2015/16	% B to B	% P to B	% Of Total	F02 R'000 2016/17	F03 R'000 2017/18	
INCOME										
SUNDRY INCOME	22	22	-	-	-100.00%	0.00%	0.00%	-	-	-
TOTAL OPERATING INCOME	22	22	-	-	-100.00%	0.00%	0.00%	-	-	-
NET OPERATING INCOME	22	22	-	-	-100.00%	0.00%	0.00%	-	-	-
EXPENDITURE										
Employee Related Costs - Salaries & Wages	29,649	29,649	21,931	30,760	33,144	11.79%	7.75%	44.81%	35,299	37,416
Employee Related Costs - Overtime	288	288	188	264	308	6.80%	16.66%	0.42%	328	347
Employee Related Costs - Social Contributions	2,000	2,000	1,400	1,948	6,190	209.51%	217.79%	8.37%	6,593	6,988
Less: Employee Related Costs - Salaries Capitalised	(292)	(292)	-	(92)	(292)	0.00%	218.09%	-0.39%	(311)	(329)
Remuneration of Councillors	9,967	9,967	6,865	9,889	10,515	5.50%	6.33%	14.22%	11,199	11,871
Sub-Total: REMUNERATION	41,613	41,613	30,384	42,769	49,866	19.83%	16.59%	67.42%	53,107	56,293
DEPRECIATION	1,038	1,038	778	1,038	1,072	3.26%	3.26%	1.45%	1,104	1,142
Repairs and Maintenance - External Contractors	162	167	113	245	140	-15.98%	-42.84%	0.19%	148	156
Repairs and Maintenance - Internal Maintenance Teams	20	20	5	7	22	8.50%	214.18%	0.03%	24	25
Sub-Total: REPAIRS AND MAINTENANCE	182	187	119	252	162	-13.30%	-35.64%	0.22%	172	181
Grants & Subsidies Paid - Social/Educational/Sports	3,862	3,862	540	801	5,000	29.45%	524.22%	6.76%	5,275	5,565
Sub-Total: Grants and Subsidies	3,862	3,862	540	801	5,000	29.45%	524.22%	6.76%	5,275	5,565
GENERAL EXPENSES	18,010	24,278	17,156	31,964	17,866	-26.41%	-44.11%	24.15%	18,035	18,214
TOTAL OPERATING EXPENDITURE	64,705	70,978	48,976	76,824	73,966	4.21%	-3.72%	100.00%	77,692	81,396
NET OPERATING EXPENDITURE	64,705	70,978	48,976	76,824	73,966	4.21%	-3.72%	100.00%	77,692	81,396
OPERATING SURPLUS/(DEFICIT)										
Total Transfers from Cash-Backed Reserves	(64,683)	(70,956)	(48,976)	(76,824)	(73,966)	4.24%	-3.72%		(77,692)	(81,396)
	2,299	2,299	1,724	2,299	2,276	-1.00%	-1.00%		1,517	759
NET OPERATING SURPLUS/ (DEFICIT)	(62,384)	(68,657)	(47,252)	(74,525)	(71,690)	4.42%	-3.80%		(76,175)	(80,637)

2.10.14 FINANCE DEPARTMENT

The result statements of the department is contained in the IDP in Annexure A

Flagship projects of the Finance Department: Siyakhokha Siyathuthuka “You Pay, You Prosper”

The Finance Department Revenue Enhancement flagship project is Siyakhokha Siyathuthuka “You Pay, You Prosper”. This flagship project has been launched throughout the EMM at the various CCA’s and various communication messages have been sent out to notify the public and staff of this platform via e-mail, sms, radio and customer statements. An online platform has also been created to facilitate the registration of consumers for them to view and pay their accounts online without having to stand in queues which is hassle free. This in turn has assisted with achieving the collections as budgeted.

The launch of 2014/15 Siyakhokha Siyathuthuka campaigns took place on the 9th of October 2014 in Alberton Customer Care Centre. Invites were extended to business, residents, staff and field workers.

Following the launch we started with the Customer Care promotions where the focus was on the following:

- ✓ Creating an exciting and positive vibe around the campaign
- ✓ Indigent Registration Programme
- ✓ e-Siyakhokha Registration
- ✓ Promote payment for services & encourage customers to pay via online platform
- ✓ Receive queries from customers
- ✓ Update customer details on EMM billing system
- ✓ Assist CCAs with credit control.

This project will continue in 2015/16 especially in respect of the development of the electronic media.

Operating Budget of the Finance Department

The Finance Department renders a financial service to the municipality and Council. It therefore has to secure sound and sustainable management of the fiscal and financial affairs of the municipality; and ensure transparent, accountable and appropriate lines of responsibility in the fiscal and financial affairs of the municipality and its entities.

The department manages the borrowing, investments, supply chain management, revenue, expenditure, assets and liabilities of the municipality and therefore has to draw up the budgets and ensure that financial planning processes are followed and complied with in terms of legislation and other regulations and to coordinate these not only within the municipality but also with other organs of state in the different spheres of government. The Operating Budget will enable the department to perform the above functions and duties and many other functions that it would be expected to be perform.

The Finance Department’s budget includes the full income for the assessment rates, regardless of the utilisation of the rates. The cost centre shows a surplus, but it is not technically a surplus generating function.

The Operating Budget per category is attached hereto.

Table 74 Operating Budget of the Financial Services Department

EKURHULENI METROPOLITAN MUNICIPALITY										
FINANCE										
FINANCIAL PERIOD	F00 R'000 ORG BUDGET	F00 R'000 ADJ BUDGET	F00 R'000 YEAR TO DATE	F00 R'000 PROJECTED	F01 R'000 2015/16	% B to B	% P to B	% Of Total	F02 R'000 2016/17	F03 R'000 2017/18
INCOME										
Property Rates	4,689,288	4,679,333	3,493,838	4,658,451	5,022,605	7.34%	7.82%	71.68%	5,549,979	6,160,476
Departmental Usage	11,847	11,655	8,667	11,556	12,469	6.98%	7.90%	0.18%	13,778	15,294
Less: Income foregone	675,414	668,925	502,582	668,925	727,293	8.73%	8.73%	10.38%	821,842	912,244
Sub-total: NET PROPERTY RATES	4,025,721	4,022,064	2,999,922	4,001,082	4,307,780	7.10%	7.67%	61.48%	4,741,915	5,263,526
Penalties Imposed on Property Rates	108,989	108,989	64,985	108,989	113,348	4.00%	4.00%	1.62%	122,416	132,209
Interest Earned - Outstanding Debtors	21,519	21,519	16,813	22,417	22,380	4.00%	-0.16%	0.32%	24,170	26,104
Sub-total: PENALTIES AND INTEREST ON DEBTORS	130,508	130,508	81,798	131,405	135,728	4.00%	3.29%	1.94%	146,586	158,313
FUEL LEVY	1,469,674	1,469,674	1,469,674	1,469,674	1,528,809	4.02%	4.02%	21.82%	1,623,814	1,719,682
RENT OF FACILITIES AND EQUIPMENT	215	215	338	451	355	65.12%	-21.22%	0.01%	382	412
INTEREST EARNED ON INVESTMENTS	220,000	281,956	280,739	332,695	313,000	11.01%	-5.92%	4.47%	341,170	371,875
Final Notice Fees	79,802	79,802	68,348	91,130	85,388	7.00%	-6.30%	1.22%	91,792	98,676
Disconnection Fees	63,611	63,611	26,282	35,043	68,064	7.00%	94.23%	0.97%	73,169	78,657
Other Fines	116	116	4	6	116	0.00%	1921.61%	0.00%	125	134
Sub-Total: FINES	143,529	143,529	94,634	126,179	153,568	6.99%	21.71%	2.19%	165,085	177,467
LICENSES AND PERMITS	3,916	3,916	3,957	5,051	5,210	33.06%	3.16%	0.07%	5,601	6,021
Equitable Share	455,578	455,578	455,578	455,578	547,477	20.17%	20.17%	7.81%	598,717	662,850
National Operating Grant	1,250	1,250	984	1,250	1,050	-16.00%	-16.00%	0.01%	1,050	1,050
Sub-Total: OPERATING GRANTS	456,828	456,828	456,562	456,828	548,527	20.07%	20.07%	7.83%	599,767	663,900
SUNDRY INCOME	9,766	9,766	9,747	13,400	9,332	-4.44%	-30.35%	0.13%	9,846	10,387
GAIN ON SALE OF ASSETS	5,000	5,000	-	-	5,000	0.00%	100.00%	0.07%	5,000	5,000
TOTAL OPERATING INCOME	6,465,156	6,523,454	5,397,372	6,536,764	7,007,309	7.42%	7.20%	100.00%	7,639,167	8,376,582
NET OPERATING INCOME	6,465,156	6,523,454	5,397,372	6,536,764	7,007,309	7.42%	7.20%	100.00%	7,639,167	8,376,582

EKURHULENI METROPOLITAN MUNICIPALITY											
FINANCE											
FINANCIAL PERIOD											
	F00 R'000	F00 R'000	F00 R'000	F00 R'000	F00 R'000	F01 R'000	% B to B	% P to B	% Of Total	F02 R'000	F03 R'000
	ORG BUDGET	ADJ BUDGET	YEAR TO DATE	PROJECTED	2015/16					2016/17	2017/18
EXPENDITURE											
Employee Related Costs - Salaries & Wages	389,724	358,709	220,518	309,293	548,972	53.04%	77.49%	39.56%		539,656	574,735
Employee Related Costs - Overtime	10,041	10,693	6,368	8,932	10,924	2.16%	22.31%	0.79%		11,634	12,333
Employee Related Costs - Additional Positions	195,221	195,221	-	-	155,000	-20.60%	100.00%	11.17%		155,000	155,000
Employee Related Costs - Social Contributions	173,789	163,596	112,407	156,401	164,790	0.73%	5.36%	11.88%		175,501	186,031
Less: Employee Related Costs - Salaries Capitalised	(1,788)	(1,788)	-	(562)	(1,788)	0.00%	218.09%	-0.13%		(1,905)	(2,019)
Sub-Total: REMUNERATION	766,987	726,431	339,294	474,064	877,898	20.85%	85.19%	63.26%		879,887	926,080
BAD DEBT PROVISION	418,457	418,457	313,843	418,457	437,882	4.64%	4.64%	31.56%		459,776	496,558
COLLECTION COSTS	176,689	186,921	95,382	169,005	176,383	-5.64%	4.37%	12.71%		186,084	196,319
DEPRECIATION	18,531	18,531	13,898	18,531	21,735	17.29%	17.29%	1.57%		22,588	143,536
Repairs and Maintenance - External Contractors	20,500	20,558	2,431	5,257	17,853	-13.16%	239.58%	1.29%		18,835	19,870
Repairs and Maintenance - Internal Maintenance Teams	884	911	448	597	959	5.19%	60.64%	0.07%		1,021	1,082
Sub-Total: REPAIRS AND MAINTENANCE	21,383	21,469	2,879	5,854	18,811	-12.38%	221.33%	1.36%		19,856	20,953
INTEREST ON EXTERNAL BORROWINGS	227,313	187,610	126,266	192,645	234,212	24.84%	21.58%	16.88%		263,489	296,425
CONTRACTED SERVICES	124,455	104,133	45,132	74,295	105,455	1.27%	41.94%	7.60%		111,255	120,155
Grants & Subsidies Paid - Social/Educational/Sports	46,057	46,920	27,380	40,630	45,551	-2.92%	12.11%	3.28%		51,473	57,135
Grants & Subsidies Paid - Eskom & Excess consumption	375,460	375,460	208,387	309,224	363,460	-3.20%	17.54%	26.19%		410,710	455,888
Grants & Subsidies Paid - Add rebates on Ass rates - pens	45,609	41,919	32,614	48,396	44,816	6.91%	-7.40%	3.23%		50,642	56,213
Grants & Subsidies Paid - Free Basic Services - Indigents	30,693	29,863	24,589	36,488	34,277	14.78%	-6.06%	2.47%		38,734	42,994
Sub-Total: Grants and Subsidies	497,820	494,162	292,971	434,738	488,105	-1.23%	12.28%	35.17%		551,559	612,230
GENERAL EXPENSES	332,674	310,348	138,743	258,499	321,881	3.72%	24.52%	23.20%		435,867	450,266
OPERATING GRANTS EXPENDITURE	1,250	1,250	984	2,459	1,050	-16.00%	-57.30%	0.08%		1,050	1,050
LOSS ON SALE OF ASSETS	25,000	25,000	-	25,000	15,000	-40.00%	-40.00%	1.08%		15,000	15,000
TOTAL OPERATING EXPENDITURE	2,610,558	2,494,313	1,369,393	2,073,547	2,698,413	8.18%	30.14%	194.46%		2,946,409	3,278,571
Internal Charges	(825,338)	(825,338)	(665,523)	(761,666)	(1,310,738)	58.81%	72.09%	-94.46%		(1,427,965)	(1,555,742)
NET OPERATING EXPENDITURE	1,785,220	1,668,975	703,870	1,311,880	1,387,675	-16.85%	5.78%	100.00%		1,518,444	1,722,830
OPERATING SURPLUS/(DEFICIT)	4,679,936	4,854,479	4,693,502	5,224,883	5,619,635	15.76%	7.56%			6,120,723	6,653,753
Total Transfers from Cash-Backed Reserves	3,916	3,916	2,937	3,916	4,661	19.03%	19.03%			3,108	1,554
NET OPERATING SURPLUS/ (DEFICIT)	4,683,852	4,858,395	4,696,439	5,228,799	5,624,296	15.76%	7.56%			6,123,830	6,655,307

Capital Budget of the Finance Department

An amount of R9.95m for 2015/16, R14.4m for 2016/17 and R4.7m for the 2017/18 financial years have been provided for the Finance Department

The department has requested the following Capital Budget:

Department	Project Name	Capitalisation Investment Framework Category	CCA	Ward/s in which project is located	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
Finance	ICT Equipment	Upgrading and Renewal	Operational Equipment	Operational Equipment	2,300,000	2,300,000	2,300,000
Finance	Langaville Paypoint	Urban Restructuring	Tsakane	85	1,000,000	3,000,000	-
Finance	New paypoint at Essellen park	Urban Restructuring	Tembisa 1	8	1,000,000	3,000,000	-
Finance	Office Furniture	Upgrading and Renewal	Operational Equipment	Operational Equipment	851,000	851,000	900,000
Finance	Tshepo Art Centre Paypoint	Urban Restructuring	Tembisa 2	2	1,000,000	3,000,000	-
Finance	Vehicles	Upgrading and Renewal	Operational Equipment	Operational Equipment	2,300,000	2,300,000	1,500,000
Finance	Re-govern - Supplier engagement centre established and operationalised	Upgrading and Renewal	Operational Equipment	Operational Equipment	1,500,000	-	-
					9,951,000	14,451,000	4,700,000

2.10.15 FLEET MANAGEMENT

The result statement of the department is contained in the IDP in Annexure A.

Key Strategic Projects of the Fleet Management Department

NAME OF THE PROJECT	BRIEF DESCRIPTION
Establishment of a functional fleet management unit	<ul style="list-style-type: none"> Setting up of Fleet Management Unit and strategy conceptualisation. Completion of the strategy and organisational structure.

Operating Budget of the Fleet Management Department

The Fleet Management budget comprises the cost of the section responsible for the management of the council-owned fleet, but NOT the cost of the vehicles. The operational costs (fuel, tyres, repairs and maintenance, etc.) is budgeted for under the departments that are utilising the vehicles to ensure true cost reflection of services. The acquisition of vehicles is also budgeted for under the departments and not the fleet management cost centre.

The cost is therefore mainly comprised of salaries and overhead costs.

Capital Budget of the Fleet Management Department

An amount of R11.9m for 2014/15, R750 000 for 2016/17 and R720 000 for the 2017/18 financial years have been provided for Operational Equipment for the Fleet Management Department

The department has requested the following Capital Budget:

Department	Project Name	Capitalisation Investment Framework Category	CCA	Ward/s in which project is located	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
Fleet Management	Furniture for new Fleet building	Upgrading and Renewal	Operational Equipment	Operational Equipment	500,000	-	-
Fleet Management	ICT Equipment	Upgrading and Renewal	Operational Equipment	Operational Equipment	50,000	50,000	-
Fleet Management	Other Equipment	Upgrading and Renewal	Operational Equipment	Operational Equipment	200,000	200,000	220,000
Fleet Management	Fuel Management and Fleet Management System	Upgrading and Renewal	Operational Equipment	Operational Equipment	10,149,406	-	-
Fleet Management	Workshop Equipment	Upgrading and Renewal	Operational Equipment	Operational Equipment	1,000,000	500,000	500,000
					11,899,406	750,000	720,000

Table 75 Operating Budget of the Fleet Management Department

EKURHULENI METROPOLITAN MUNICIPALITY										
FLEET MANAGEMENT										
FINANCIAL PERIOD	F00 R'000	F00 R'000	F00 R'000	F00 R'000	F01 R'000	%	%	%	F02 R'000	F03 R'000
ORG BUDGET	ADJ BUDGET	YEAR TO DATE	PROJECTED	2015/16	B to B	P to B	Of Total			
INCOME										
SUNDRY INCOME	1	1	-	-	-	-100.00%	0.00%	0.00%	-	-
TOTAL OPERATING INCOME	1	1	-	-	-	-100.00%	0.00%	0.00%	-	-
NET OPERATING INCOME	1	1	-	-	-	-100.00%	0.00%	0.00%	-	-
EXPENDITURE										
Employee Related Costs - Salaries & Wages	62,044	62,044	39,378	55,231	65,197	5.08%	18.04%	147.55%	69,435	73,601
Employee Related Costs - Overtime	2,147	2,147	3,914	5,489	2,293	6.80%	-58.23%	5.19%	2,442	2,588
Employee Related Costs - Social Contributions	14,443	14,443	9,806	13,645	15,911	10.17%	16.61%	36.01%	16,946	17,962
Less: Employee Related Costs - Salaries Capitalised	(1,396)	(1,396)	-	(439)	(1,396)	0.00%	218.09%	-3.16%	(1,487)	(1,576)
Less :Employee Related Costs - Salaries to R and M Intern	(42,500)	(42,500)	(31,954)	(42,606)	(47,101)	10.83%	10.55%	-106.60%	(50,163)	(53,173)
Sub-Total: REMUNERATION	34,737	34,737	21,144	31,320	34,904	0.48%	11.44%	78.99%	37,173	39,403
DEPRECIATION	853	853	640	853	881	3.26%	3.26%	1.99%	907	939
Repairs and Maintenance - External Contractors	1,898	1,870	801	1,733	2,397	28.14%	38.31%	5.42%	2,529	2,668
Repairs and Maintenance - Internal Maintenance Teams	675	690	988	1,317	741	7.48%	-43.74%	1.68%	789	837
Sub-Total: REPAIRS AND MAINTENANCE	2,574	2,560	1,789	3,050	3,138	22.58%	2.87%	7.10%	3,318	3,504
GENERAL EXPENSES	5,646	5,413	2,308	4,301	3,947	-27.07%	-8.22%	8.93%	4,114	4,290
TOTAL OPERATING EXPENDITURE	43,810	43,563	25,882	39,524	42,870	-1.59%	8.46%	97.02%	45,512	48,136
Internal Charges	1,162	1,162	145	166	1,315	13.24%	690.84%	2.98%	1,462	1,622
NET OPERATING EXPENDITURE	44,971	44,724	26,027	39,691	44,185	-1.20%	11.32%	100.00%	46,974	49,758
OPERATING SURPLUS/(DEFICIT)										
Total Transfers from Cash-Backed Reserves	(44,970)	(44,723)	(26,027)	(39,691)	(44,185)	-1.20%	11.32%		(46,974)	(49,758)
NET OPERATING SURPLUS/ (DEFICIT)	10,465	10,465	7,848	10,465	7,848	-25.00%	-25.00%		5,232	2,616
	(34,506)	(34,258)	(18,179)	(29,226)	(36,337)	6.07%	24.33%		(41,742)	(47,142)

2.10.16 HEALTH AND SOCIAL DEVELOPMENT

The result statements of the department is contained in the IDP in Annexure A.

Key Strategic Projects of the Health and Social Development Department

NAME OF THE PROJECT	BRIEF DESCRIPTION
Health Care Facilities	Increase access to Primary Health Care and Social Services through building and appointments of personnel for new facilities.
Early Childhood Development (ECD)	Increase ECD practitioners graduating from an ECD training programme.
HIV from Mother to Child Transmission	Increase percentage of babies tested for HIV at six weeks.
Tuberculosis Treatment	Improve on percentage of New Smear Positive (+) Tuberculosis Patients Cured.
Antiretroviral Therapy (ART) Services	Increase the number of eligible HIV positive clients on ART.
Environmental Health - rodent control	Reduce rodent infestation in Ekurhuleni by implementing a funded Rodent Control Strategy.
Indigent Management	Increase the number of registered indigents by increasing the number of campaigns and access points for registrations.

Operating Budget of the Health and Social Development Department

The key performance areas of the department are:

- Primary health care.
- Community development.
- Environmental Health Service.

The services rendered by the department is labour intensive which results in the remuneration cost centre to make up more than 80% of the total departmental budget.

The Primary Health Care function is partly subsidised by the Gauteng Health Department and as such there is a solid partnership between the 2 spheres of government for the rendering of comprehensive primary health care services. It is anticipated that about 6,5million visits will be made to health facilities during the year.

The departmental multi-sectoral HIV/AIDS programme is funded from assessment rates whilst the CSP programme is 100% funded through a grant from Gauteng Health Department.

The Environmental and Community Development functions are fully funded via assessment rates.

The Operating Budget per category is attached hereto.

Table 76 Operating Budget of the Health and Social Development Department

EKURHULENI METROPOLITAN MUNICIPALITY										
HEALTH AND SOCIAL DEVELOPMENT										
FINANCIAL PERIOD PHASE	F00 R'000 ORG BUDGET	F00 R'000 ADJ BUDGET	F00 R'000 YEAR TO DATE	F00 R'000 PROJECTED	F01 R'000 2015/16	% B to B	% P to B	% Of Total	F02 R'000 2016/17	F03 R'000 2017/18
INCOME	180	180	-	-	-	-100.00%	0.00%	0.00%	-	-
Other Fines	180	180	-	-	-	-100.00%	0.00%	0.00%	-	-
Sub-Total: FINES	180	180	454	580	465	158.33%	-19.84%	0.21%	500	537
LICENSES AND PERMITS	-	-	-	-	-	0.00%	0.00%	0.00%	12,216	12,827
Operating Grants - Other	11,018	11,086	8,655	11,086	11,601	4.65%	4.65%	5.34%	-	-
Provincial Operating Grants	111,952	111,952	111,953	111,952	117,885	5.30%	5.30%	54.28%	124,133	130,340
Health Subsidies	122,970	123,038	120,608	123,038	129,486	5.24%	5.24%	59.62%	136,349	143,167
Sub-Total: OPERATING GRANTS	56,950	56,750	29,322	53,913	83,600	47.31%	55.07%	38.49%	81,100	88,200
USDG	56,950	56,750	29,322	53,913	83,600	47.31%	55.07%	38.49%	81,100	88,200
Sub-Total: CAPITAL GRANTS	2,784	3,381	1,767	2,429	3,624	7.17%	49.16%	1.67%	3,823	4,033
SUNDRY INCOME	183,064	183,529	152,152	179,960	217,175	18.33%	20.68%	100.00%	221,772	235,938
TOTAL OPERATING INCOME	183,064	183,529	152,152	179,960	217,175	18.33%	20.68%	100.00%	221,772	235,938
EXPENDITURE	518,495	508,649	360,503	505,632	560,935	10.28%	10.94%	64.27%	597,396	633,240
Employee Related Costs - Salaries & Wages	5,547	5,547	3,278	4,598	5,921	6.74%	28.78%	0.68%	6,306	6,684
Employee Related Costs - Overtime	126,825	126,825	85,930	119,562	128,895	1.63%	7.81%	14.77%	137,273	145,509
Employee Related Costs - Social Contributions	(1,507)	(1,507)	-	(474)	(1,507)	0.00%	218.09%	-0.17%	(1,605)	(1,701)
Less: Employee Related Costs - Salaries Capitalised	649,360	639,514	449,711	629,318	694,244	8.56%	10.32%	79.54%	739,370	783,732
Sub-Total: REMUNERATION	31,626	31,626	23,719	31,626	32,658	3.26%	3.26%	3.74%	33,638	34,815
DEPRECIATION	6,302	7,798	4,745	10,260	7,854	0.72%	-23.45%	0.90%	8,286	8,742
Repairs and Maintenance - External Contractors	1,426	3,786	3,272	4,363	1,548	-59.12%	-64.52%	0.18%	1,648	1,747
Repairs and Maintenance - Internal Maintenance Teams	7,728	11,584	8,017	14,623	9,402	-18.84%	-35.70%	1.08%	9,935	10,489
Sub-Total: REPAIRS AND MAINTENANCE	44,683	44,683	25,114	38,317	49,473	10.72%	29.11%	5.67%	55,657	62,614
INTEREST ON EXTERNAL BORROWINGS	3,107	2,861	898	1,479	3,002	4.90%	102.99%	0.34%	3,167	3,420
CONTRACTED SERVICES	3,940	3,940	2,150	3,191	3,900	-1.02%	22.24%	0.45%	4,115	4,341
Grants & Subsidies Paid - Social/Educational/Sports	3,940	3,940	2,150	3,191	3,900	-1.02%	22.24%	0.45%	4,115	4,341
Sub-Total: Grants and Subsidies	43,931	52,869	29,616	55,179	64,519	22.04%	16.93%	7.39%	65,061	65,633
GENERAL EXPENSES	11,018	11,086	8,655	21,622	11,601	4.65%	-46.35%	1.33%	12,216	12,827
OPERATING GRANTS EXPENDITURE	795,394	798,164	547,881	795,353	888,798	8.85%	9.23%	99.54%	923,157	977,871
TOTAL OPERATING EXPENDITURE	798,940	801,710	550,255	798,070	872,810	8.87%	9.37%	100.00%	927,600	982,774
Internal Charges	3,546	3,546	2,374	2,717	4,011	13.12%	47.63%	0.46%	4,442	4,903
NET OPERATING EXPENDITURE	798,940	801,710	550,255	798,070	872,810	8.87%	9.37%	100.00%	927,600	982,774
OPERATING SURPLUS/(DEFICIT)	(615,876)	(618,180)	(398,103)	(618,110)	(655,635)	6.06%	6.07%		(705,828)	(746,836)
Contribution to Capital Budget	56,950	56,750	29,322	53,913	83,600	47.31%	55.07%		81,100	88,200
Total Transfers from Cash-Backed Reserves	2,711	2,711	2,033	2,711	2,033	-25.00%	-25.00%		1,356	678
NET OPERATING SURPLUS/(DEFICIT)	(670,114)	(672,219)	(425,392)	(669,311)	(737,201)	9.67%	10.14%		(785,572)	(834,358)

Capital Budget of the Health and Social Development Department

An amount of R104.3m for 2015/16, R153.2m for 2016/17 and R175.1m for the 2017/18 financial years have been provided for the Health and Social Development Department.

A number of clinics are at various stages of design and construction. The construction of the new Villa Liza Clinic that was initiated in 2013/14 will be finalised. The construction of the Dukathole-, Selope Thema and Esangweni replacement clinics commenced in 2014/15 and will continue. It is also expected to have contractors early in the new financial year on site for Tsietsie, Khumalo and Crystal Park clinics.

Two new Early Childhood Development Centres will also be initiated in 2015/16.

The department has requested the following Capital Budget:

EKURHULENI METROPOLITAN MUNICIPALITY – FINAL BUDGET 2015/16 TO 2017/18

Department	Project Name	Capitalisation Investment Framework Category	CCA	Ward/s in which project is located	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
Health & Social Development	Air Conditioners Health Facilities	Upgrading and Renewal	Operational Equipment	Operational Equipment	200,000	500,000	500,000
Health & Social Development	Birch-Acres Clinic	Urban Restructuring	Kempton Park	13	-	2,000,000	12,000,000
Health & Social Development	Bonaero Park Clinic	Urban Restructuring	Kempton Park	23	1,000,000	10,000,000	12,000,000
Health & Social Development	Building - Youth Friendly Services	Urban Restructuring	Kwa Thema	72/85/58/47	-	3,000,000	3,500,000
Health & Social Development	Carports & Garages Health Facilities	Upgrading and Renewal	Benoni	30	1,500,000	2,000,000	2,000,000
Health & Social Development	EXT & UPGRADE EDENVALE CLINIC	Upgrading and Renewal	Edenvale	20	-	10,000,000	12,000,000
Health & Social Development	EXT & UPGRADE KEMPTON PARK CLINIC	Upgrading and Renewal	Kempton Park	16	-	15,000,000	18,000,000
Health & Social Development	EXT & UPGRADE SPARTAN	Upgrading and Renewal	Boksburg	23	-	300,000	-
Health & Social Development	GENERATORS AT HEALTH FACILITIES	Upgrading and Renewal	Operational Equipment	Operational Equipment	1,000,000	3,000,000	1,000,000
Health & Social Development	Guard House Ablution Health Facilities	Upgrading and Renewal	Tembisa 1	12/71	300,000	1,500,000	1,000,000
Health & Social Development	ICT Equipment	Upgrading and Renewal	Operational Equipment	Operational Equipment	2,500,000	3,000,000	3,000,000
Health & Social Development	Improve Access Disabled Health Facilities	Upgrading and Renewal	Kwa Thema	79	100,000	100,000	120,000
Health & Social Development	MEDICAL WASTE STORAGE FACILITIES	Upgrading and Renewal	Tsakane	82	1,000,000	5,000,000	5,000,000
Health & Social Development	New Bakerton Clinic	Urban Restructuring	Springs	75	-	-	100,000
Health & Social Development	Office Furniture (Health Department)	Upgrading and Renewal	Operational Equipment	Operational Equipment	2,000,000	3,000,000	3,500,000
Health & Social Development	Other Equipment	Upgrading and Renewal	Operational Equipment	Operational Equipment	1,700,000	3,000,000	3,500,000
Health & Social Development	Security Upgrade Facilities	Upgrading and Renewal	Nigel	88	900,000	1,200,000	1,200,000

EKURHULENI METROPOLITAN MUNICIPALITY – FINAL BUDGET 2015/16 TO 2017/18

Department	Project Name	Capitalisation Investment Framework Category	CCA	Ward/s in which project is located	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
Health & Social Development	Signage at Health Facilities	Upgrading and Renewal	Germiston	88/84/7/54/64	500,000	300,000	500,000
Health & Social Development	Specialised vehicles(MORE THAN 2 SEATS)	Upgrading and Renewal	Operational Equipment	Operational Equipment	3,900,000	3,300,000	1,200,000
Health & Social Development	Infra-Specialized Equipment	Upgrading and Renewal	Operational Equipment	Operational Equipment	300,000	400,000	400,000
Health & Social Development	Specialized Equipment	Upgrading and Renewal	Operational Equipment	Operational Equipment	1,500,000	1,000,000	1,000,000
Health & Social Development	Training Unit for Nurses	Urban Restructuring	Vosloorus	47	400,000	-	-
Health & Social Development	Vehicles NEW(MORE THAN 2 SEATS)	Upgrading and Renewal	Operational Equipment	Operational Equipment	1,000,000	3,500,000	4,000,000
Health & Social Development	Vehicles REPLACEMENT(MORE THAN 2 SEATS)	Upgrading and Renewal	Operational Equipment	Operational Equipment	900,000	1,000,000	1,500,000
Health & Social Development	BUHLE PARK Clinic	Urban Restructuring	Katlehong 1	40	-	2,000,000	12,000,000
Health & Social Development	Early Childhood Development Centre	Urban Restructuring	Vosloorus	44/53/85/24	8,000,000	10,000,000	6,000,000
Health & Social Development	Extension & Upgrade BARCELONA CLINIC	Upgrading and Renewal	Etwatwa	26	-	100,000	2,000,000
Health & Social Development	Extension & Upgrade Esangweni Clinic	Upgrading and Renewal	Tembisa 1	10	13,000,000	6,000,000	-
Health & Social Development	Extension & upgrade Selope Thema Clinic	Upgrading and Renewal	Kwa Thema	77	13,000,000	4,000,000	-
Health & Social Development	Geluksdal Clinic	Urban Restructuring	Tsakane	86	-	2,000,000	10,000,000
Health & Social Development	New TSIETSI Clinic Phomolong South	Urban Restructuring	Katlehong 2	60	12,000,000	12,000,000	1,000,000
Health & Social Development	NEW CLINIC CHIEF A LUTHULI EXTENSION WARD 24 LEVEL 2	Urban Restructuring	Benoni	24	500,000	3,000,000	12,000,000
Health & Social Development	New Clinic Esselen Park Tembisa	Urban Restructuring	Tembisa 1	8	-	4,000,000	6,000,000
Health & Social Development	New Clinic Lindelani X9	Urban Restructuring	Katlehong 1	55	-	2,000,000	10,000,000
Health & Social Development	New Crystal Park Clinic	Urban Restructuring	Benoni	24	10,000,000	13,000,000	1,000,000
Health & Social Development	New Duduza Clinic	Urban Restructuring	Duduza	86	-	1,000,000	5,000,000
Health & Social Development	New Dukatole Clinic	Urban Restructuring	Germiston	35	11,000,000	5,000,000	-
Health & Social Development	New Khumalo Clinic	Urban Restructuring	Katlehong 2	101	12,000,000	11,000,000	1,000,000
Health & Social Development	New Mayfield Ext 8 Clinic	Urban Restructuring	Benoni	24	-	-	100,000

Department	Project Name	Capitalisation Investment Framework Category	CCA	Ward/s in which project is located	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
Health & Social Development	New Tswelopele Winnie Mandela Clinic	Urban Restructuring	Tembisa 2	89	-	4,000,000	12,000,000
Health & Social Development	Upgrade Erin Clinic	Upgrading and Renewal	Tembisa 2	7	100,000	2,000,000	10,000,000
Health & Social Development	VILLA LIZA Clinic	Urban Restructuring	Vosloorus	45	4,000,000	-	-
					104,300,000	153,200,000	175,120,000

Expected outcomes from the implementation of the Capital Budget

The key performance areas of the department are:

- Primary health care.
- Community development.
- Environmental Health Service.

The total capital budget for the department is R104.3m. A number of clinics are at various stages of design and construction. The construction of the new Villa Liza Clinic that was initiated in 2013/14 will be finalised. The construction of the Dukathole-, Selope Thema and Esangweni replacement clinics will commence in 2014/15 and will continue. It is also expected to have contractors early in the New Year on site for Tsietsi, Khumalo and Crystal Park clinics.

Two new Early Childhood Development Centres will also be initiated in 2015/16.

2.10.17 HUMAN RESOURCES MANAGEMENT AND DEVELOPMENT

The result statement of the department is contained in the IDP in Annexure A.

Key Strategic Projects of the Department

A key strategic project of the Department Human Resources Management and Development is the finalisation of the Institutional Review Process.

The Functional Structure's design of all departments has been completed and they will be submitted to Council for approval on/before **30 June 2015**.

R100m has been set aside for capacitating the Departmental Functional Structures on a priority basis.

A further R55m has also been set aside for providing capacity for the newly built or refurbished council facilities such as clinics, fire stations, etc.

Another key strategic project of the department is the implementation of the HR strategy. The HR strategy drives the actualisation of the following components:

- Strategies from a Human Capital perspective to support the GDS 2055.
- Ensure statutory and regulatory compliance.

- Develop a strategy driven and dynamic EMM structure.
- Promote and preserve HR professionalism.
- Build and manage a performance culture.
- Build and maintain sound labour relations.
- Alignment and support all flagship projects.
- Approval of the costing model for roll-out of IR (i.e. staff appointments and inclusive of post-retirement benefits)

Operating Budget of the Human Resources Management and Development Department

The main cost driver of the department is personnel costs which comprises 70.10% of the total Operating Budget of the department.

The department is also responsible for the advertising and filling of positions, generic training programmes, addressing labour matters and facilitating employee wellbeing programmes, with subsequent cost and budgetary provision of the services.

Capital Budget of the Human Resources Management and Development Department

An amount of R1.03m, R1m and R1, 65m for the 2015/16, 2016/17 and 2017/18 financial years respectively has been provided for operational equipment for the Human Resource Management and Development department.

Department	Project Name	Capitalisation Investment Framework Category	CCA	Ward/s in which project is located	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
Human Resources Management & Development	ICT Equipment	Upgrading and Renewal	Operational Equipment	Operational Equipment	600,000	600,000	1,000,000
Human Resources Management & Development	Office Furniture	Upgrading and Renewal	Operational Equipment	Operational Equipment	100,000	200,000	300,000
Human Resources Management & Development	Other Equipment	Upgrading and Renewal	Operational Equipment	Operational Equipment	30,000	50,000	50,000
Human Resources Management & Development	Vehicles	Upgrading and Renewal	Operational Equipment	Operational Equipment	300,000	150,000	300,000
					1,030,000	1,000,000	1,650,000

Table 77 Operating Budget of the Human Resources Management and Development Department

EKURHULENI METROPOLITAN MUNICIPALITY										
HUMAN RESOURCES										
FINANCIAL PERIOD	F00 R'000 ORG BUDGET	F00 R'000 ADJ BUDGET	F00 R'000 YEAR TO DATE	F00 R'000 PROJECTED	F01 R'000 2015/16	% B to B	% P to B	% Of Total	F02 R'000 2016/17	F03 R'000 2017/18
INCOME										
Operating Grants - Other	22,388	22,388	4,265	22,388	23,821	6.40%	6.40%	100.00%	23,821	25,132
Sub-Total: OPERATING GRANTS	22,388	22,388	4,265	22,388	23,821	6.40%	6.40%	100.00%	23,821	25,132
SUNDRY INCOME	-	-	5	6	-	0.00%	0.00%	0.00%	-	-
TOTAL OPERATING INCOME	22,388	22,388	4,270	22,395	23,821	6.40%	6.37%	100.00%	23,821	25,132
NET OPERATING INCOME	22,388	22,388	4,270	22,395	23,821	6.40%	6.37%	100.00%	23,821	25,132
EXPENDITURE										
Employee Related Costs - Salaries & Wages	110,751	104,673	71,101	99,724	113,884	8.80%	14.20%	64.71%	121,286	128,563
Employee Related Costs - Overtime	294	294	155	218	314	6.78%	44.08%	0.18%	334	354
Employee Related Costs - Social Contributions	23,277	23,277	15,239	21,203	23,456	0.77%	10.62%	13.33%	24,980	26,479
Less: Employee Related Costs - Salaries Capitalised	(140)	(140)	-	(44)	(140)	0.00%	218.09%	-0.08%	(149)	(158)
Sub-Total: REMUNERATION	134,182	128,104	86,495	121,101	137,513	7.34%	13.55%	78.14%	146,452	155,239
DEPRECIATION	693	693	520	693	715	3.26%	3.26%	0.41%	737	763
Repairs and Maintenance - External Contractors	1,178	1,178	721	1,558	1,189	0.96%	-23.67%	0.68%	1,255	1,324
Repairs and Maintenance - Internal Maintenance Teams	115	163	128	171	125	-23.43%	-26.83%	0.07%	133	141
Sub-Total: REPAIRS AND MAINTENANCE	1,293	1,341	849	1,729	1,314	-2.01%	-23.99%	0.75%	1,388	1,465
CONTRACTED SERVICES	8,680	9,470	2,636	4,340	5,548	-41.41%	27.84%	3.15%	5,854	6,322
Grants & Subsidies Paid - Social/Educational/Sports	16,000	16,000	8,038	11,927	24,000	50.00%	101.22%	13.64%	25,320	26,713
Sub-Total: Grants and Subsidies	16,000	16,000	8,038	11,927	24,000	50.00%	101.22%	13.64%	25,320	26,713
GENERAL EXPENSES	52,650	49,781	22,797	42,473	59,083	18.68%	39.11%	33.57%	60,117	61,215
TOTAL OPERATING EXPENDITURE	213,498	205,390	121,334	182,264	228,174	11.09%	25.19%	129.65%	239,867	251,716
Internal Charges	(44,087)	(44,087)	(22,655)	(25,928)	(52,181)	18.36%	101.25%	-29.65%	(55,560)	(58,880)
NET OPERATING EXPENDITURE	169,411	161,302	98,679	156,336	175,993	9.11%	12.57%	100.00%	184,307	192,836
OPERATING SURPLUS/(DEFICIT)	(147,023)	(138,914)	(94,409)	(133,941)	(152,172)	9.54%	13.61%		(160,485)	(167,705)
Total Transfers from Cash-Backed Reserves	364	364	273	364	273	-25.00%	-25.00%		182	91
NET OPERATING SURPLUS/ (DEFICIT)	(146,659)	(138,550)	(94,136)	(133,577)	(151,899)	9.63%	13.72%		(160,303)	(167,614)

2.10.18 HUMAN SETTLEMENTS

The result statements of the department is contained in the IDP in Annexure A.

Key Projects of the Department

1.CONSTRUCTION OF HOUSES PROGRAMME

Purpose: This programme entails the construction of houses on serviced stands for in-situ and Greenfield developments, where beneficiaries have been identified. The programme constitutes the last phase and consolidates a housing project, apart from other socio-economic amenities and services that are required to achieve integrated and sustainable developments.

Progress: The projects that were initiated and/or implemented in 2014/15 include Alra Park Ext 3, Eden Park West & Ext 1, Etwatwa Ext 35, Magagula Heights and Moleleki Ext 1 & 2. The pace of delivery of some projects, namely; Magagula Heights and Moleleki Ext 1 & 2 have been seriously hampered by the project enrolment process by the NHBRC, in relation to dolomite management requirements. It is envisaged and targeted that all hurdles will be addressed in 2014/15 such that the above-mentioned projects will see completion in 2015/16.

2.UNDER TAKING DETAILED PLANNING TO ENABLE THE DEVELOPMENT OF STANDS FOR HUMAN SETTLEMENTS PROJECTS

Purpose: This programme entails the detailed planning process per priority settlement to enable the appropriate upgrading and formalisation of informal settlements. The major component of the programme involves undertaking feasibility studies to assess the suitability of various land parcels for human settlements development , undertaking of preplanning studies including township establishments, environmental impact assessments and various specialist studies such as geotechnical investigations, traffic impact assessments, heritage studies and wetland delineation.

Progress: 3 service providers were appointed in 2012 to undertake various professional studies in line with the list of projects accredited to the Municipality by the Gauteng Department of Human Settlements (GDHS). Feasibility studies have been completed for most projects and they are now at different stages of pre-planning. On average it can takes one to two years to complete various studies, depending on requirements. The department has initiated the new professional service provider tender process as the current tender has reached its funding limit.

3.THE IMPLEMENTATION OF THE INFORMAL SETTLEMENT MANAGEMENT PLAN

Purpose: This plan will enable the municipality to coordinate and manage informal settlements in a more comprehensive and integrated manner and also create improved access of interim basic municipal services to people living in informal settlements.

Progress: There are scheduled monthly inter-departmental meetings that are held to discuss, plan, monitor and assess the provision of interim basic municipal services to all informal settlements. Various departments responsible for infrastructure and services provision are being encouraged to budget for services in the informal settlements. Service departments have submitted their annual plans for services to be rendered in

the informal settlements. There are scheduled dates for site visits to the various informal settlement areas.

In respect of informal settlements, upgrading plans over the short-, medium- and long-term the National Department of Human Settlements has been requested through the National Upgrading Support Programme (NUSP) to develop 18 service delivery intervention plans (business plans) and to fast-track the development on 18 category B informal settlement plans.

Department's planned activities for 2014/2015 include:

- To construct houses.
- To conduct feasibility and pre-planning studies for human settlements.
- To undertake repairs, maintenance, address the upgrading and refurbishment of targeted rental stock owned by Council within various CCAs.
- To continue with the coordination and monitoring role through monthly inter-departmental meetings; reporting and planned site visits to the informal settlement areas; to ensure that all service departments budget for services to be rendered in the informal settlements, and to establish the various local structures, that is, the ward-based, customer care area and metro-wide informal settlement structures.
- To implement the pilot on the informal settlement score card jointly with other departments.
- Coordinate and manage the land acquisition processes.
- Community outreach and beneficiary education within housing projects.

Other Strategic Projects of the Human Settlements Department

PROJECT NAME	PROJECT DESCRIPTION
Leeuwpoort mixed housing development	<ul style="list-style-type: none"> ○ The project is aimed at addressing the housing backlog and to provide various housing products targeting a mix of income groups, including, subsidised housing, bonded housing and Finance Linked Subsidy Programme (for beneficiaries who qualify for both subsidised and bank funding). The amended appointment and agreements were finalised in November 2014. ○ The first phase will focus on bulk infrastructure provision, detailed planning and design, and implementation of the northern portion. ○ The northern portion of the project is linked to the Joe Slovo informal settlement to be upgraded and formalised. ○ The project is planned to be implemented over the medium- to long-term (over a seven year period).
Development of the township revitalisation and renewal strategy and plans	<ul style="list-style-type: none"> ○ This would give direction and guidance in terms of investment and development of the township to achieve economic growth, social cohesion and facelift of townships. The Tembisa Urban Regeneration study, comprising of a development framework and business plan is complete and phase 1 "quick win" projects are being implemented in the current financial year. ○ The draft plan for Germiston is also complete. It is currently being circulated for comments prior submission to Council for approval. ○ The draft development frameworks and business plans for the three townships (Wattville/Actonville, Daveyton/Etwatwa and Kwatsaduza) are also complete and being circulated for comments.

PROJECT NAME	PROJECT DESCRIPTION
	<ul style="list-style-type: none"> ○ The report for Katorus is outstanding due to further geological and bulk infrastructure studies that are required prior to finalisation of business plans.
Informal Settlements Formalisation and Upgrade Programme	The Programme is aimed at the upgrading and formalisation of informal settlements. <ul style="list-style-type: none"> ○ It addresses the entire planning and tenure arrangements in informal settlements. ○ This entails the categorisation of informal settlements as requiring relocation, in-situ upgrading or part relocation and part in-situ upgrading. ○ The major aspect of the plan involves undertaking feasibility studies to assess the suitability of various land parcels for human settlements development. ○ Upon positive recommendations of the feasibility reports per informal settlement, detailed pre-planning studies are undertaken in particular Environmental Impact Assessment (EIA) Studies and Geo-Technical studies. On receipt of positive results thereof, land acquisition processes are embarked upon and where land is owned by the municipality, it must be reserved for a housing purpose and a full township establishment process will follow. ○ In case of private land, township establishment would only commence when land has been procured by the municipality. ○ In the 2015/16 financial year, work will be done to complete projects already at planning stage towards townships proclamation and new studies will be embarked for informal settlements without any plans.

4. OPERATIONAL BUDGET

Operating Income

The total Income Budget includes the following:

1. Rent from Facilities is income derived from the rental of Council Owned houses and complexes. The process of invoicing and collection is administered by the Finance Department.
2. Interest earned of investments represents interest earned in the Human Settlements ABSA bank account. Deposits from Gauteng Department of Human Settlements are transferred to and managed via this bank account.
3. The National Operating Grant relates to the new conditional grant for capacity development to municipalities expected to be assigned to perform the housing function with effect from the financial year 2015/2016.
4. The remainder of the Income Budget relates to capital projects funded by grants. The allocation is based on the grants as gazetted in the final DoRA for 2015/2016 for capital funded projects.

Operating Expenditure

The total Operating Expenditure makes provision for the Human Settlements to achieve the following:

Repairs and Maintenance to rental stock

This is required to ensure that rental stock remains in a good state of repair to enable the Department to provide decent accommodation to tenants and to protect Council's assets.

The link to the SDBIP: Improved Asset and property management in respect of rental stock.

Grants and Subsidies paid to entities

The EDC is responsible for social housing and is regulated by the Social Housing Act. Rental charges for social housing tenants are not market related and the maintenance cost associated with the social housing properties are at market value. Due to limited number of rental units, cost will always exceeds revenue. The entity is therefore requesting a supplementary grant to fund the maintenance of properties for EDC ET AL until such time the entity is the breakeven point. Airways Park and Delville complexes are also requiring maintenance which cannot be fully recovered from rental cost, therefore an operational grant will augment this requirement. The cost of compliance e.g. SHRA and other funders is increasingly placing pressure on the current budgets which need great assistance.

The link to the SDBIP: Sustainable Human Settlement and infrastructure

Measurable Output: Increased provision of alternative tenure options.

General Expenses

This category makes provision for the following:

- Disaster Management

The budget will be utilised for Rendering of humanitarian aid to communities by means of reconstruction of structures, supply food hampers and blankets to the affected families due to unforeseen circumstances like fire, floods, tornadoes, etc. Including emergency relocations. Repair of indigent houses in terms of Council Policy.

The link to the SDBIP: Management of informal settlements.

Measurable Output: Sustainable environment .

- Awareness Campaigns

Urban renewal is a Mayoral flagship. The department has completed urban renewal plans for Germiston and township complexes and these must be communicated to various stakeholders and potential investors.

The strategy will:

- (1) guide the department in undertaking branding and marketing for the programme,
- (2) contribute to EMM identity and the sub branding of the urban renewal areas
- (3) assist EMM to communicate a positive message to key stakeholders about Germiston as the Municipal HQ and about investment potential of the township complexes
- (4) identify income generating opportunities that can be generated through sponsorship and advertising spaces The project forms part of the implementation of the strategy

The link to the SDBIP: Urban Renewal

Measurable Output: Sustainable environment

- Community Development

In order to promote and improve community liaison and participation in relation to informal settlements management plan by the EMM and those planned for upgrading. It is anticipated that this will be done through convening meeting(s) by the Department in consultation with the relevant ward councillor and ward committee members.

The link to the SDBIP: Increased Stakeholder engagements

Measurable Output: Number of Community Outreach engagements

- Land invasion management

Counter land invasion by means of patrols at different informal settlements areas and dismantling of illegal structures and removing rubble thereof.

The link to the SDBIP: Reduced incidents of eviction.

Measurable Output: Sustainable environment

- Land relocation

Relocation and allocation of qualifying beneficiaries onto serviced erven or completed top structures in respect of new housing projects.

The link to the SDBIP: Increase secure tenure.

Measurable Output: Relocating families as per completed projects for qualifying beneficiaries.

- Consultant fees

The Department anticipates to utilise the budget in the following manner:

Project Description	Motivation for Budget Request - provide detailed motivation including calculations and proof of calculations (quotes etc)	Link to SDBIP	Measurable Output
URP Capacity	<p>The Department has identified a need to have its human resources skills base augmented, in the short to medium term, in order to enable it to accelerate its service delivery obligations of delivering quality human settlements project and programme within budget and realistic timelines.</p> <p>In this regard the Department requires the appointment of professional service providers consisting of four members in the built environment field to form part of the Department's special projects (Urban Renewal and Township regeneration including hostels) team responsible for the planning, packaging, design and implementation of various renewal and special projects for an unbroken service period of 18 months.</p>	Urban Renewal.	Appointment of professional service providers consisting of four members in the built environment field to form part of the Department's special projects (Urban Renewal and Township regeneration including hostels) team
Demand Survey	<p>The Department requires the appointment of Service provider to conduct a detailed housing demand and community survey of all the informal settlements, hostels and backyard rental units located within the jurisdiction of the Municipality aimed to determine:</p> <ul style="list-style-type: none"> the number of residents in the informal settlements, hostels and backyard rental units located within the jurisdiction of the EMM. To profile the residents in the informal settlements, hostels and backyard rental units located within the jurisdiction of the EMM. The type of the housing programme that the surveyed occupants qualify for. 	Develop long-term formal settlements plan	An approved and Functional Demand database
Informal Settlement Technical Evaluation and Classification - Source of funding will be ICDG	R50 000 per Informal Settlement. ±50 hours consulting fees @ R1000/hour	Intermediate Outcome: Increase integration and regularization of formal settlements across EMM	Informal Settlement database and report
Precinct plans - Must be funded by ICDG - Funded by ICDG	R700 000 X 3 plans	Increased number of Urban redevelopment plans	3 Final precinct plans
Housing projects Status Quo report - Focus on 83 000 Top structures plus serviced sites	±1000 hours consulting fees @ R1000/hour	Intermediate Outcome: Increase integration and regularization of formal settlements across EMM	Evaluation of current Housing programme and project - status quo analyses.
Analyses of the state of the registry and plan to modernise the Registry	The Department requires the appointment of Service provider to conduct a n analyses of the Registry and develop a plan to modernise to ensure a more efficient registry service for the Department .	Institutional modernisation - Development of an efficient and effective document and knowledge management system for the department	An efficient and modernised Registry

Operating Grants Expenditure

The achievement of the human settlements mandate is driven by the National Outcome 8 which is focussed on the creation of integrated sustainable human settlements and the improved quality of life. The accreditation of municipalities outcome by 2014/15, finds clear expression in Outcome 8. Furthermore, the Breaking New Ground strategy, being a blue print for achieving this outcome, also places the municipality at the centre of service delivery, due to its nature and the reality that, it is a sphere of government closer to community grassroots. The assignment of the EMM is also included on the Council approved 2011/2012 IDP, Budget, & SDBIP under Item 1.2.2 accreditation of the municipality by the Gauteng Department of Local Government and Housing.

The rational for accreditation is that, amongst others, there will be funding certainty for municipality executing the human settlements mandate, budget planning process will be

enhanced to create sustainable settlements and service delivery will be accelerated. The intent is to improve efficiencies in the human settlements value chain.

Assignment will make human settlements delivery more efficient and effective, and that as a result of a concentration of funding at the local level, municipalities are better able to make productive decisions on the developmental progress in their areas of jurisdiction. Assignment involves a progressive transfer of responsibility in respect of national housing programmes and this is accompanied by the progressive transfer of accountability for such decision-making, and critically, the progressive transfer of real authority to perform in that role. The municipality has been awarded Accreditation levels one and two functions in March 2011.

Table 78 Operating Budget of the Human Settlements Department

EKURHULENI METROPOLITAN MUNICIPALITY											
HUMAN SETTLEMENTS											
FINANCIAL PERIOD	F00 R'000 ORG BUDGET	F00 R'000 ADJ BUDGET	F00 R'000 YEAR TO DATE	F00 R'000 PROJECTED	F01 R'000 2015/16	% B to B	% P to B	% Of Total	F02 R'000 2016/17	F03 R'000 2017/18	
INCOME											
RENT OF FACILITIES AND EQUIPMENT	34,365	34,365	28,278	37,704	40,737	18.54%	8.04%	5.51%	43,996	47,515	
INTEREST EARNED ON INVESTMENTS	–	–	4,713	5,586	4,000	100.00%	-28.39%	0.54%	4,360	4,752	
Provincial Operating Grants	–	49,297	6,601	49,297	56,845	15.31%	15.31%	7.69%	–	–	
National Operating Grant	52,374	139,180	11,831	139,180	59,313	-57.38%	-57.38%	8.02%	59,313	61,460	
Sub-Total: OPERATING GRANTS	52,374	188,478	18,432	188,478	116,158	-38.37%	-38.37%	15.72%	59,313	61,460	
Capital Grants - Other	–	–	(0)	–	–	0.00%	0.00%	0.00%	–	–	
Neighborhood Development Partnership Grant	50,000	176	0	167	20,000	11263.64%	11861.72%	2.71%	60,000	53,390	
USDG	204,012	322,942	131,652	306,795	529,133	63.85%	72.47%	71.59%	547,580	321,000	
Provincial Capital Grants	75,000	71,327	2,181	67,761	29,079	-59.23%	-57.09%	3.93%	–	–	
Sub-Total: CAPITAL GRANTS	329,012	394,446	133,833	374,723	578,212	46.59%	54.30%	78.23%	607,580	374,390	
TOTAL OPERATING INCOME	415,752	617,289	185,256	606,491	739,107	19.73%	21.87%	100.00%	715,248	488,118	
NET OPERATING INCOME	415,752	617,289	185,256	606,491	739,107	19.73%	21.87%	100.00%	715,248	488,118	
EXPENDITURE											
Employee Related Costs - Salaries & Wages	106,529	104,499	45,511	63,832	111,726	6.92%	75.03%	19.26%	118,988	126,128	
Employee Related Costs - Overtime	656	656	711	997	701	6.80%	-29.75%	0.12%	746	791	
Employee Related Costs - Social Contributions	15,862	15,862	10,114	14,072	16,639	4.90%	18.24%	2.87%	17,721	18,784	
Less: Employee Related Costs - Salaries Capitalised	(38,903)	(38,903)	–	(12,230)	(38,903)	0.00%	218.09%	-6.71%	(41,432)	(43,918)	
Sub-Total: REMUNERATION	84,143	82,114	56,335	66,671	90,163	9.80%	35.24%	15.54%	96,024	101,785	
BAD DEBT PROVISION	2,013	2,013	1,509	2,013	2,167	7.69%	7.69%	0.37%	2,276	2,458	
DEPRECIATION	54,670	54,670	41,003	54,670	56,455	3.26%	3.26%	9.73%	58,148	60,183	
Repairs and Maintenance - External Contractors	30,620	32,860	17,321	37,452	34,027	3.55%	-9.14%	5.87%	35,898	37,873	
Repairs and Maintenance - Internal Maintenance Teams	335	335	258	344	364	8.50%	5.75%	0.06%	387	410	
Sub-Total: REPAIRS AND MAINTENANCE	30,955	33,195	17,579	37,796	34,391	3.60%	-9.01%	5.93%	36,286	38,283	
INTEREST ON EXTERNAL BORROWINGS	136,196	136,196	76,547	116,788	150,789	10.71%	29.11%	25.99%	169,637	190,842	
Grants & Subsidies Paid - Entities	3,500	3,500	1,750	2,597	3,500	0.00%	34.78%	0.60%	3,693	3,896	
Sub-Total: Grants and Subsidies	3,500	3,500	1,750	2,597	3,500	0.00%	34.78%	0.60%	3,693	3,896	
GENERAL EXPENSES	66,582	64,382	26,477	49,330	55,821	-13.30%	13.16%	9.62%	57,813	59,920	
OPERATING GRANTS EXPENDITURE	52,374	188,478	18,432	46,044	116,158	-38.37%	152.27%	20.02%	59,313	61,460	
TOTAL OPERATING EXPENDITURE	430,433	564,548	239,631	375,908	509,443	-9.76%	35.52%	87.82%	483,189	518,827	
Internal Charges	62,950	62,950	76,133	87,131	70,676	12.27%	-18.89%	12.18%	78,125	86,119	
NET OPERATING EXPENDITURE	493,383	627,498	315,764	463,040	580,119	-7.55%	25.28%	100.00%	561,313	604,946	
OPERATING SURPLUS/(DEFICIT)	(77,631)	(10,209)	(130,508)	143,451	158,988	-1657.32%	10.83%		153,935	(116,828)	
Contribution to Capital Budget	329,012	394,446	133,833	374,723	578,212	46.59%	54.30%		607,580	374,390	
Total Transfers from Cash-Backed Reserves	4,330	4,330	3,248	4,330	3,248	-25.00%	-25.00%		2,165	1,093	
NET OPERATING SURPLUS/ (DEFICIT)	(402,313)	(400,325)	(261,094)	(226,942)	(415,977)	3.91%	83.30%		(451,480)	(490,136)	

Capital Budget of the Human Settlements Department

An amount of R579.2m for 2015/16, R608.7m for 2016/17 and R375.5m for the 2017/18 financial years have been provided for the Human Settlements Department

The department has requested the following Capital Budget:

Department	Project Name	Capitalisation Investment Framework Category	CCA	Ward/s in which project is located	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
Human Settlements	Acquisition of Land for New Human Settlements	Urban Restructuring	Benoni	All wards	55,000,000	60,000,000	80,000,000
Human Settlements	Delville Social Housing Development	Urban Restructuring	Germiston	36	10,000,000	30,000,000	40,000,000
Human Settlements	Delville Social Housing Development	Urban Restructuring	Germiston	37	12,227,000	-	-
Human Settlements	Germiston South Social Housing Development	Urban Restructuring	Germiston	37	16,852,000	-	-
Human Settlements	Germiston South Social Housing Development	Urban Restructuring	Germiston	35	25,000,000	27,000,000	27,000,000
Human Settlements	Germiston Fire Station Social Housing Project-Buildings	Urban Restructuring	Germiston	36	20,000,000	30,000,000	40,000,000
Human Settlements	Servicing of Stands	Urban Restructuring	Tsakane	82	-	246,579,535	-
Human Settlements	Alliance Extension 9	Urban Restructuring	Daveyton	71	21,397,500	-	-
Human Settlements	Balmoral Extension 4	Urban Restructuring	Germiston	33	29,185,200	-	-
Human Settlements	Holgatefontein / Mckenzieville	Urban Restructuring	Nigel	88	25,100,000	-	-
Human Settlements	Langaville Extension 4	Urban Restructuring	Kwa Thema	81	5,601,200	-	-
Human Settlements	Palm Ridge Extension 9	Urban Restructuring	Katlehong 2	53; 61	86,108,400	-	-
Human Settlements	Payneville Extension 1	Urban Restructuring	Springs	72	37,965,750	-	-
Human Settlements	Chief Albert Luthuli Ext 4	Urban Restructuring	Benoni	24	13,105,200	-	-
Human Settlements	Helderwyk Extension 3 & 7	Urban Restructuring	Brakpan	31	14,050,035	-	-
Human Settlements	Alliance Extension 1	Urban Restructuring	Daveyton	71	13,376,544	-	-
Human Settlements	Apex Ext 12	Urban Restructuring	Benoni	30	2,526,157	-	-
Human Settlements	Balmoral Extension 5	Urban Restructuring	Germiston	33	2,208,351	-	-

EKURHULENI METROPOLITAN MUNICIPALITY – FINAL BUDGET 2015/16 TO 2017/18

Department	Project Name	Capitalisation Investment Framework Category	CCA	Ward/s in which project is located	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
Human Settlements	Daveyton Extension 14	Urban Restructuring	Daveyton	96	6,118,200	-	-
Human Settlements	Payneville Extension 3	Urban Restructuring	Springs	72	6,137,780	-	-
Human Settlements	Rietfontein Kwa-Thema	Urban Restructuring	Kwa Thema	78; 74	13,674,000	-	-
Human Settlements	Moleleki Extension 2	Urban Restructuring	Katlehong 2	60	1,240,326	-	-
Human Settlements	Mayfield Extension 45	Urban Restructuring	Daveyton	96	5,045,706	-	-
Human Settlements	Esselen Park - Witfontein (Mega - Tembisa Triangle) - Birchleigh North Ext 4	Urban Restructuring	Kempton Park	91	6,253,310	-	-
Human Settlements	Servicing of Stands(Leeupoort Development)	Urban Restructuring	Boksburg	34,42,32,31,43	67,326,806	-	-
Human Settlements	ICT Equipment	Upgrading and Renewal	Operational Equipment	Operational Equipment	330,000	360,000	309,000
Human Settlements	Office Furniture	Upgrading and Renewal	Operational Equipment	Operational Equipment	200,000	220,000	240,000
Human Settlements	Tembisa Urban Renewal Framework	Urban Restructuring	Tembisa 1	Multi Wards	20,000,000	60,000,000	53,390,000
Human Settlements	Vehicles	Upgrading and Renewal	Operational Equipment	Operational Equipment	550,000	600,000	650,000
Human Settlements	Katorus Urban Renewal Project	Urban Restructuring	Katlehong 1	Multi Wards	5,500,000	17,000,000	17,000,000
Human Settlements	Leeupoort Development (Bulk Infrastructure)	Urban Restructuring	Boksburg	34,42,32,31,43	10,000,000	120,000,000	100,000,000
Human Settlements	Refurbishment of Rental Property	Upgrading and Renewal	Corporate	Multi Wards	37,212,435	-	-
Human Settlements	Wattville-Actonville Urban Renewal Project	Urban Restructuring	Benoni	Multi Wards	10,000,000	17,000,000	17,000,000
					579,291,900	608,759,535	375,589,000

Expected outcomes from the implementation of the Capital Budget

The Human Settlements Department is responsible for the planning, development, implementation and creation of sustainable human settlements in Ekurhuleni.

The recommended departmental budget 2015/16 is R579.2m and includes amongst others significant Projects such as:

- R20m - for Tembisa Urban Renewal.
- R37.2m has been allocated to address the upgrading and refurbishment of rental stock owned by Council within various CCCs.

- R289m for projects related to Servicing of Stands
- R22.2m Delville social housing development
- R15.5m for the Systematic Renewal of the Public Urban Spaces within the urban fabric of Katorus and Wattville

2.10.19 BUDGET OF EKURHULENI DEVELOPMENT COMPANY (EDC)

The Budget of the EDC is presented as a consolidated budget for the four entities:

- Ekurhuleni Development Company SOC Ltd (Management Company).
- Pharoe Park Housing Company SOC Ltd.
- Germiston Phase II Company SOC Ltd.
- Lethabong Housing Institute NPC.

The annual operating grant to the EDC has been increased from R3.5m per year to R5m per annum. Additional R1.5m will be used to address maintenance backlog and restoration of rental properties.

The EDC will as a matter of priority start working on the merging of the companies to ensure VAT efficiencies are achieved.

Assumptions underpinning the budget

The assumptions and guidelines used in compiling the final budget are as follows:

Income:

- 5.4% tariff increase was used as a basis for determining the income for the 2015/16 financial year.
- The Grant going forward has been increased based on the above to R5m per annum.
- Other operating income included agency fees charged within the group of entities. EDC recovers operational cost from Germiston Phase 2 and Pharoe Park Housing Companies.

Expenditure:

- Salaries (6.8%).
- Repairs and maintenance – an additional R1.5m from 2015/16 to 2017/2018 (*addressing maintenance backlog*).
- General Expenditure 5.8% increase.
- Collection costs: 0% increase.
- Contracted services: actual as per contracts.
- EDC's costs as the management company will be recovered from the other entities based on the services provided.
- No increase in the number of units has been factored into the budget. Any transfer of units from EMM has not been included as this has not yet been finalised.
- The group still continues to be squeezed by cost increases which are above inflationary increases and are market-related whilst our income stream is regulated, as a result of the rental being subsidised, as the entities provide social housing units.

Table 79 Budget of Ekurhuleni Development Company

EDC		F00 R'000	F00 R'000	F00 R'000	F00 R'000	F01 R'000	%	%	%	F02 R'000	F03 R'000
FINANCIAL PERIOD		ORG BUDGET	ADJ BUDGET	YEAR TO DATE	PROJECTED	2015/16	B to B	P to B	Of Total	2016/17	2017/18
INCOME											
Interest Earned - Outstanding Debtors				101	302	250	100.00%	-17.22%	0.39%	200	150
Sub-total: PENALTIES AND INTEREST ON DEBTORS				101	302	250	100.00%	-17.22%	0.39%	200	150
RENT OF FACILITIES AND EQUIPMENT		29,449	29,449	8,764	26,293	31,040	5.40%	18.05%	48.73%	32,716	34,614
INTEREST EARNED ON INVESTMENTS		265	265	428	1,284	265	0.00%	-79.36%	0.42%	279	294
SUNDY INCOME		18,962	18,962	1,454	20,797	26,354	38.98%	26.72%	41.37%	28,462	30,739
TOTAL OPERATING INCOME		48,676	48,676	10,747	48,676	57,909	18.97%	18.97%	90.91%	61,557	65,797
Internal Recoveries		15,021	15,021	5,075	15,021		-100.00%	0.00%	0.00%	-	-
NET OPERATING INCOME		63,697	63,697	15,822	63,697	57,909	-9.09%	-9.09%	90.91%	61,557	65,797
EXPENDITURE											
Employee Related Costs - Salaries & Wages		10,085	10,085	2,698	8,244	10,624	5.34%	28.87%	20.79%	11,304	12,073
Remuneration of Councillors		884	884	384	884	1,047	18.44%	18.44%	2.05%	1,114	1,190
Sub-Total: REMUNERATION		10,969	10,969	3,082	9,128	11,671	6.40%	27.86%	22.84%	12,418	13,263
BAD DEBT PROVISION		2,200	2,200	1,225	3,676	2,200	0.00%	-40.16%	4.31%	2,100	2,000
DEPRECIATION		1,257	1,257	382	1,257	1,257	0.00%	0.00%	2.46%	1,257	1,257
Repairs and Maintenance - External Contractors		6,000	6,000	1,300	6,000	5,000	-16.67%	-16.67%	9.79%	5,000	5,000
Sub-Total: REPAIRS AND MAINTENANCE		6,000	6,000	1,300	6,000	5,000	-16.67%	-16.67%	9.79%	5,000	5,000
INTEREST ON EXTERNAL BORROWINGS		55	55	0	1	5	-90.91%	400.00%	0.01%	6	7
CONTRACTED SERVICES		2,277	2,277	1,023	2,277	2,406	5.67%	5.67%	4.71%	2,596	2,747
GENERAL EXPENSES		15,174	15,174	3,877	11,630	16,376	7.92%	40.81%	32.05%	17,707	19,253
TOTAL OPERATING EXPENDITURE		37,932	37,932	10,889	33,969	38,915	2.59%	14.56%	76.16%	41,084	43,527
Internal Charges		17,124	17,124	5,786	17,124	18,494	8.00%	8.00%	36.20%	19,974	21,572
NET OPERATING EXPENDITURE		55,056	55,056	16,675	51,093	57,409	4.27%	12.36%	112.36%	61,058	65,099
OPERATING SURPLUS/(DEFICIT)		8,641	8,641	(853)	12,604	500	-94.21%	-96.03%		599	698
Contribution to Capital Budget		10,305	10,305	-	10,305	105	-98.98%	-98.98%		130	150
Total Transfers to Cash-Backed Reserves		2,500	2,500	-	2,500		-100.00%	0.00%			
NET OPERATING SURPLUS/ (DEFICIT)		(4,164)	(4,164)	(853)	(201)	395	-109.49%	-296.39%		469	548

Capital Budget of the Ekurhuleni Development Company

The entity has requested the following Capital Budget:

Budget per Source of Finance

Source of Finance	Budget Submission 2015/16	Budget Submission 2016/17	Budget Submission 2017/18
Revenue	105 000	130 000	150 000
Total	105 000	130 000	150 000

Budget per Ward Category

Ward Category	Budget Submission 2014/15	Budget Submission 2015/16	Budget Submission 2016/17
Operational equipment	105 000	130 000	150 000
Total	105 000	130 000	150 000

Expected outcomes from the implementation of the Capital Budget

The total budget for the department is R105 000. The amount is budgeted for the replacement of ageing computer equipment and furniture.

2.10.20 INFORMATION COMMUNICATION TECHNOLOGY (ICT)

The result statements of the department are contained in the IDP in Annexure A.

Flagship Project as pronounced by the Executive Mayor

Activity	Description
Digital City	
Brief Description	<p>Digital City is the innovative use of technology to create a smart City. The Digital City is divided into four streams of work which are: broadband infrastructure; setting up EM as an Internet service provider; Enterprise Operation Centre/Unified Command Centre (UCC) Digital City services and products. Implementation of Phase 1 of the project which includes setting up of the Digital City unit to provide effective broadband infrastructure that supports the business services, commercialisation of the fibre and connectivity to Ekurhuleni community.</p> <p>Project Components</p> <p>Stream 1: Broadband (fibre connectivity):</p> <ul style="list-style-type: none"> Rollout fibre broadband throughout Ekurhuleni. All municipality buildings to be connected (estimated 545 buildings) over a period of 4 years. Existing connectivity: 21, remainder: 524. 388KM of fibre confirmed working plus 83km of fibre being installed. <p>Stream 2: Broadband wireless connectivity:</p>

Activity	Description
	<ul style="list-style-type: none"> • Provision of broadband wireless overlay (Wi-Fi-based) – 2 hotspots for internal use and one hotspot for public Wi-Fi in each of the 545 buildings. • 29 buildings have Wi-Fi from internal hotspots currently and no Wi-Fi to the public exists now. <p>Stream 3: Unified Command Centre:</p> <ul style="list-style-type: none"> • The Conceptual Phase of the UCC is nearly completed, developing the UCC strategy and Operating Model, high level business processes as well as a costing model provided a projection of costs. • Two parallel processes to follow now are: <ul style="list-style-type: none"> (a) Building architecture drawings and construction of the building (b) Obtaining and implementing the UCC IT solutions <p>Stream 4: EMM E-Citizen Services:</p> <ul style="list-style-type: none"> • City planning operations: Analysis and automation of current processes. In addition defining a data and process architecture. • External: function of potential datasets which can be made available to outside world, as well as potential in -city Business Process Owner components which city has appetite to provide. <p>Alignment with the GDS 2055:</p> <p>Goal: increased broadband coverage.</p> <p>This strategy is supported by:</p> <ul style="list-style-type: none"> • Creating a fibre and wireless network throughout Ekurhuleni to create a connected city. • Create internet zones to the public to encourage economic development, especially in historically disadvantaged areas. • Connect all the EMM buildings and as such increase efficiency. • Install video conferencing in boardrooms and meeting rooms to increase efficiency and reduce travelling time. • Install application functionality to have an increased engagement with the citizens by means of easy-to-use and advanced technology. These include SMS, smart phone, website and other electronic communication.
Current progress on project	<p><u>Infrastructure:</u></p> <ul style="list-style-type: none"> • Fibre audit and verification completed. • Completed civil works for 83k of fibre network but fibre still to be installed. • Fibre repair programme to be completed – 10 more links to be repaired. • Four tenders in progress for fibre build and buy as well as structured cabling as well as network equipment. • 60 Wi-Fi units rolled out for internal use. • Rollout of public Wi-Fi in all libraries in progress • VNX Infrastructure solution installed, system migration in progress. • RFQ for installation of the Teraco Converged infrastructure environment (the main hosting environment for most of the EMM critical applications) in progress. • Installation of Video Conferencing in 24 boardrooms to commence soon. <p><u>Business Process Mapping:</u> Business processes mapping for the 20 key departments targeted for the UCC is completed.</p> <p><u>Applications:</u></p>

Activity	Description
	<ul style="list-style-type: none"> City process model, BPM Framework, APM and RMP have been created. Master systems plan in place and has been approved. <p><u>Unified Command Centre:</u></p> <ul style="list-style-type: none"> Failover sites for CCTV Surveillance centre to be completed in Alberton and Emergency Dispatch centre to be completed. Dependent on IR issues to be resolved. Long-term UCC: <ul style="list-style-type: none"> Conceptual Design Phase nearly completed. Strategy and value proposition was defined, high level processes were defined, and Business functionality as well as IT requirements were defined. UCC Costing model in final stages. CCTV surveillance room and cameras tender in evaluation phase
Plans for the 2015/2016 financial year	<p><u>Infrastructure:</u></p> <ul style="list-style-type: none"> Complete the 83km of fibre build in progress. Connect 35 buildings on fibre network by installing 50km of fibre and building 35 sites Install internal Wi-Fi in 35 buildings (2 units per building). Install public Wi-Fi in 64 buildings (one unit per building) Connect four EMM Siyafunda centres. Install the Germiston Converged infrastructure environment for failover capability for the hosting environment. Continue with upgrade of security. <p><u>Business Process Automation:</u></p> <p>Complete the business process automation for City Planning is on track and is targeted to be completed by July 2015.</p> <p><u>Applications:</u></p> <ul style="list-style-type: none"> Initiate ERP Programme for (HR, EPMO, O&M, planning and finance). Acquire and implement workforce management system. Initiated conceptual phase to illicit requirements for the relevant applications and solutions for the UCC. <p><u>Unified Command Centre:</u></p> <ul style="list-style-type: none"> Confirm funding for the UCC building. Architectural designs of the UCC building to be completed (dependent on above) Completing the selection process of the UCC IT solutions. The CCTV surveillance room video wall will be installed. The additional cameras will only be installed as from 2016/2017 due to lack of funding.

Key Strategic Projects of the Information Communication Technology Department

Activity	Description
Unified Command Centre	
Brief Description	The project is creating a multi-discipline, multi-department command and control centre to provide integrated service delivery to the public. The Boksburg Fire station site was selected to construct a building for the UCC. The UCC will contain a centralised customer care centre for both life threatening and non-life threatening services as well as command and control centres for Energy, Water, CCTV Surveillance, Vehicle tracking and dispatch. It will also house the CRM head office as well as an ICT data centre. The UCC will use smart city technology for enhanced efficiency.

Activity	Description
	The CCTV Surveillance centre establishment and CCTV rollout is coupled with the UCC programme as this provides some of the smart city technology required by the UCC.
Current progress on project	The Conceptual Design Phase is nearly completed. This design phase already delivered the UCC strategy and value proposition, high level processes and operating model, Business requirements definition and defining the IT solutions required for the UCC. The final deliverable of this phase is the UCC costing model development which is in progress.
Plans for the 2015/2016 financial year	<ul style="list-style-type: none"> • Confirm funding for the UCC building. • Architectural designs of the UCC building to be completed (dependent on above) • Completing the selection process of the UCC IT solutions. • The CCTV surveillance room video wall will be installed. The additional cameras will only be installed as from 2016/2017 due to lack of funding.
Business Process Management (BPM)	
Brief Description	The project objective is to optimise, redesign and automate the business processes with the aim to reduce silo operations and improve responses to the customers. BPM aims to improve the efficiency of the municipality business processes, doing things better with optimised processes and achieve better communication across the organisation; to integrate municipality business processes with partners in the value chain, and understanding which partner is responsible for what part of the process. This will also apply to the municipality's interaction with other spheres of government, business, NGOs, etc.
Current progress on project	<p>(1) Two process (City Planning) from a combined total of eight have been completed. It is anticipated that the remaining processes will be completed by the end of quarter 4 in 2014/15.</p> <p>(2) Optimised the Energy revenue processes.</p>
Plans for the 2015/2016 financial year	In the new financial year the department will focus on business processes engineering for the four departments (i.e. finance, HR, Water, and corporate legal).
Information and Knowledge Management	
Brief Description	The intent of the project is to create an information environment that provides the following: business-driven; knowledge-based; integrated; always available and reliable.
Current progress on project	SharePoint and Document management deployment is currently in progress and the current indications are that this deployment will be completed by the end of 2014/15. Initiate the deployment of Case Management functionality with a view to complete this stream by end of 2014/15.
Plans for the 2015/16 financial year	Commence with the deployment of the contracts management functionality.
Enterprise Resource Planning	
Brief Description	<p>An Enterprise Resource Planning system (ERP) is a system that replaces many stand-alone systems of individual departments and offices – such as human resources management, payroll, finance, supply chain management, grant management and projects – and integrates the functions into a single and automated system that runs on a single database.</p> <p>ERP provides for policies and procedures to be built into the system and uploaded as necessary. This will greatly reduce our dependence on policy and procedure manuals for knowledge transfer and provide a much more efficient</p>

Activity	Description
	means to handle knowledge retention, especially as experienced staff retires. ERP systems also come with built-in audit and security controls that have been implemented.
Current progress on project	Completed a Request for Information process. Currently reviewing the RFI responses with a view to define an approach for the ERP roadmap.
Plans for the 2015/16 financial year	Phase 2: ICT will seek the approval of the ERP Business Case, align ERP project with Business Process Management and the Master Systems Plan.

Table 80 Operating Budget of the Information Communication Technology Department

EKURHULENI METROPOLITAN MUNICIPALITY										
INFORMATION COMMUNICATION TECHNOLOGY										
FINANCIAL PERIOD IN TECHNOLOGY	F00 R'000 ORG BUDGET	F00 R'000 ADJ BUDGET	F00 R'000 YEAR TO DATE	F00 R'000 PROJECTED	F01 R'000 2015/16	% B to B	% P to B	% Of Total	F02 R'000 2016/17	F03 R'000 2017/18
EXPENDITURE										
Employee Related Costs - Salaries & Wages	90,304	87,576	58,199	81,629	121,932	39.23%	49.37%	32.74%	129,858	137,650
Employee Related Costs - Overtime	564	564	672	943	603	6.80%	-36.07%	0.16%	642	681
Employee Related Costs - Social Contributions	17,341	17,341	11,403	15,867	18,133	4.57%	14.28%	4.87%	19,311	20,470
Less: Employee Related Costs - Salaries Capitalised	(11,019)	(11,019)	—	(3,464)	(11,019)	0.00%	218.09%	-2.96%	(11,735)	(12,439)
Sub-Total: REMUNERATION	97,191	94,463	70,275	94,974	129,649	37.25%	36.51%	34.81%	138,077	146,361
DEPRECIATION										
Repairs and Maintenance - External Contractors	76,313	76,313	57,235	76,313	78,804	3.26%	3.26%	21.16%	81,168	84,009
Repairs and Maintenance - Internal Maintenance Teams	72,912	72,462	47,429	102,554	108,207	49.33%	5.51%	29.05%	114,158	120,437
	41	41	30	40	44	8.50%	11.21%	0.01%	47	50
Sub-Total: REPAIRS AND MAINTENANCE	72,953	72,503	47,459	102,594	108,251	49.31%	5.51%	29.06%	114,205	120,487
GENERAL EXPENSES	76,292	76,742	44,869	83,597	79,530	3.63%	-4.87%	21.35%	81,071	82,698
TOTAL OPERATING EXPENDITURE	322,749	320,021	219,837	357,478	396,234	23.81%	10.84%	106.38%	414,521	433,555
Internal Charges	(18,755)	(18,755)	(10,975)	(12,560)	(23,774)	26.76%	89.28%	-6.38%	(25,082)	(26,461)
NET OPERATING EXPENDITURE	303,994	301,266	208,863	344,918	372,460	23.63%	7.99%	100.00%	389,439	407,093
OPERATING SURPLUS/(DEFICIT)										
Total Transfers from Cash-Backed Reserves	(303,994)	(301,266)	(208,863)	(344,918)	(372,460)	23.63%	7.99%		(389,439)	(407,093)
NET OPERATING SURPLUS/ (DEFICIT)	(268,621)	(265,893)	(182,333)	(309,545)	(345,930)	30.10%	11.75%		(371,753)	(398,250)

Capital Budget of the Information Communication Technology Department

An amount of R322m for 2015/16, R308.7m for 2016/17 and R339.2m for the 2017/18 financial years have been provided for the Information Communication Technology Department

The department has requested the following Capital Budget:

Department	Project Name	Capitalisation Investment Framework Category	CCA	Ward/s in which project is located	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
ICT	Acquisition of Electronic document Management system	Upgrading and Renewal	Corporate	All wards	4,477,000	4,924,700	5,417,170
ICT	DCS: Broadband Fibre	Upgrading and Renewal	Corporate	All wards	50,000,000	50,000,000	60,000,000
ICT	Digital City Services / Services Intergrator (Wi-Fi)	Upgrading and Renewal	Corporate	All wards	39,348,000	31,252,000	32,000,000
ICT	Enterprise Architecture/ Business process management including Document and Records Management	Upgrading and Renewal	Corporate	All wards	30,000,000	40,000,000	45,000,000
ICT	ERP Phase 1	Upgrading and Renewal	Corporate	All wards	100,000,000	100,000,000	120,000,000
ICT	ICT Equipment	Upgrading and Renewal	Operational Equipment	Operational Equipment	1,650,000	1,815,000	1,996,500
ICT	Migration to Next Generation Network	Upgrading and Renewal	Corporate	All wards	12,900,000	-	-
ICT	Office Furniture	Upgrading and Renewal	Operational Equipment	Operational Equipment	660,000	726,000	798,600
ICT	Security for ICT Infrastructure	Upgrading and Renewal	Corporate	All wards	20,000,000	25,000,000	25,000,000
ICT	Refurbishment of exisiting call centre	Upgrading and Renewal	Corporate	All wards	35,000,000	35,000,000	25,000,000
ICT	Upgrade of Data Centers and Disaster Recovery centre	Upgrading and Renewal	Corporate	All wards	10,000,000	10,000,000	12,000,000
ICT	Upgrading aged server equipment	Upgrading and Renewal	Operational Equipment	Operational Equipment	8,000,000	10,000,000	12,000,000
ICT	Re-govern - Wi-Fi rolled out to 60% of all Council Facilities	Upgrading and Renewal	Corporate	All wards	10,000,000	-	-
					322,035,000	308,717,700	339,212,270

Expected outcomes from the implementation of the Capital Budget

The total budget for the department is R322m. Significant projects are:

- DCS: Broadband Fibre – R50m
- Digital City Services / Services Integrator (Wi-Fi) – R49,3m
- Enterprise Architecture/ Business process management including Document and Records Management – R34,4m
- ERP Phase 1 - R100m
- Migration to Next Generation Network – R12,9m
- Security for ICT Infrastructure and upgrade od data recovery centres – R30m

2.10.21 INTERNAL AUDIT**Key Strategic Projects of INTERNAL AUDIT**

The result statements of the department is contained in the IDP in Annexure A.

Internal Audit is an appraisal function established within the organization in compliance with the requirements of the MFMA and MSA and independently examines and evaluates the activities of the organization as a service to the Council in particular and to management in general.

Internal Audit helps the organisation accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control, and governance processes.

The objectives of internal auditing are to assist senior managers of the organization in the effective discharge of their responsibilities by furnishing them with analyses, appraisals, recommendations, counsel, and information concerning the activities reviewed and by promoting effective control at reasonable cost. Furthermore to evaluate and report on compliance with the Municipal Finance Management Act, Municipal Systems Act and related Treasury Regulations.

Operating Budget of the INTERNAL AUDIT

The Operating Budget of the Internal Audit Department is as follows:

Capital Budget of INTERNAL AUDIT

An amount of R384 500 for 2015/16, R424 500 for 2016/17 and R580 000 for the 2017/18 financial years have been provided for Operational Equipment for the Internal Audit Department

The department has requested the following Capital Budget:

Department	Project Name	Capitalisation Investment Framework Category	CCA	Ward/s in which project is located	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
Internal Audit	ICT Equipment	Upgrading and Renewal	Operational Equipment	Operational Equipment	350,000	250,000	350,000
Internal Audit	Office Furniture	Upgrading and Renewal	Operational Equipment	Operational Equipment	20,000	20,000	70,000
Internal Audit	Other Equipment	Upgrading and Renewal	Operational Equipment	Operational Equipment	14,500	14,500	20,000
Internal Audit	Upgrade of Office building	Upgrading and Renewal	Alberton	94	-	140,000	-
Internal Audit	Vehicles	Upgrading and Renewal	Operational Equipment	Operational Equipment	-	-	140,000
					384,500	424,500	580,000

Table 81 Operating Budget of the Internal Audit

EKURHULENI METROPOLITAN MUNICIPALITY											
INTERNAL AUDIT											
FINANCIAL PERIOD	F00 R'000	F00 R'000	F00 R'000	F00 R'000	F00 R'000	F01 R'000	% B to B	% P to B	% Of Total	F02 R'000	F03 R'000
	ORG BUDGET	ADJ BUDGET	YEAR TO DATE	PROJECTED	2015/16					2016/17	2017/18
EXPENDITURE											
Employee Related Costs - Salaries & Wages	28,721	28,721	24,754	34,719	36,515	27.13%	5.17%	62.68%		38,888	41,221
Employee Related Costs - Overtime	34	34	5	6	36	6.80%	468.01%	0.06%		39	41
Employee Related Costs - Social Contributions	5,489	5,489	4,535	6,310	7,032	28.12%	11.44%	12.07%		7,489	7,938
Less: Employee Related Costs - Salaries Capitalised	(47)	(47)	-	(15)	(47)	0.00%	218.10%	-0.08%		(50)	(53)
Sub-Total: REMUNERATION	34,197	34,197	29,294	41,021	43,536	27.31%	6.13%	74.74%		46,366	49,148
DEPRECIATION											
Repairs and Maintenance - External Contractors	171	90	30	65	176	3.27%	3.27%	0.38%		226	234
Repairs and Maintenance - Internal Maintenance Teams	128	138	84	112	139	96.72%	169.94%	0.30%		186	196
Sub-Total: REPAIRS AND MAINTENANCE	299	227	114	178	315	38.72%	77.42%	0.54%		334	353
CONTRACTED SERVICES	50	50	30	49	53	5.95%	8.62%	0.09%		56	61
GENERAL EXPENSES	13,956	14,128	1,189	2,216	14,128	0.00%	537.58%	24.25%		14,153	14,179
TOTAL OPERATING EXPENDITURE	48,715	48,815	30,786	43,676	58,252	19.33%	33.37%	100.00%		61,135	63,975
NET OPERATING EXPENDITURE	48,715	48,815	30,786	43,676	58,252	19.33%	33.37%	100.00%		61,135	63,975
OPERATING SURPLUS/(DEFICIT)	(48,715)	(48,815)	(30,786)	(43,676)	(58,252)	19.33%	33.37%			(61,135)	(63,975)
Total Transfers from Cash-Backed Reserves	2,331	2,331	1,749	2,331	1,749	-25.00%	-25.00%			1,166	583
NET OPERATING SURPLUS/ (DEFICIT)	(46,384)	(46,483)	(29,038)	(41,345)	(56,504)	21.56%	36.66%			(59,969)	(63,392)

2.10.22 LEGISLATURE

This department was established with the purpose of strengthening the capacity of the EMM through modernisation and technological advancements. It includes the following budgets:

- Office of the Speaker.
- Office of the Chief Whip.
- Oversight committees.
- Administration of Ward Committees.
- Part-time councillors.
- Budget for chairpersons of Oversight Committees.

It is important to note that cost centre 105010, which contains the budget for part-time councillors, has also been allocated to the Legislature. This implies that all the councillor allowances are now budgeted as part of the Legislature - based on the principle that part-time councillors will mostly form part of the oversight committees. The mentioned cost centre also provides for the travelling and accommodation of part-time councillors to conferences and seminars and overseas business activities.

Capital Budget of the Legislature Department

An amount of R3.8m, R3.4m and R3.4m for the 2015/16, 2016/17 and 2017/18 financial years respectively, has been provided for operational equipment for the Legislature department.

The department has requested the following Capital Budget:

Department	Project Name	Capitalisation Investment Framework Category	CCA	Ward/s in which project is located	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
Legislature	ICT Equipment	Upgrading and Renewal	Operational Equipment	Operational Equipment	800,000	1,000,000	1,000,000
Legislature	ICT Equipment(Chief Whip)	Upgrading and Renewal	Operational Equipment	Operational Equipment	300,000	300,000	300,000
Legislature	ICT Equipment(Speaker)	Upgrading and Renewal	Operational Equipment	Operational Equipment	300,000	300,000	300,000
Legislature	Office Furniture	Upgrading and Renewal	Operational Equipment	Operational Equipment	800,000	1,000,000	1,000,000
Legislature	Office Furniture(Chief Whip)	Upgrading and Renewal	Operational Equipment	Operational Equipment	300,000	300,000	300,000
Legislature	Office Furniture(Speaker)	Upgrading and Renewal	Operational Equipment	Operational Equipment	300,000	300,000	300,000
Legislature	Other Equipment	Upgrading and Renewal	Operational Equipment	Operational Equipment	150,000	150,000	150,000
Legislature	Other Equipment (Chief Whip)	Upgrading and Renewal	Operational Equipment	Operational Equipment	50,000	50,000	50,000
Legislature	Vehicles	Upgrading and Renewal	Operational Equipment	Operational Equipment	800,000	-	-
					3,800,000	3,400,000	3,400,000

Operating Budget of the Legislature Department

The Operating Budget of the Legislature is as follows:

Table 82 Operating Budget of the Legislature Department

EKURHULENI METROPOLITAN MUNICIPALITY										
LEGISLATURE										
FINANCIAL PERIOD	F00 R'000	F00 R'000	F00 R'000	F00 R'000	F01 R'000	% B to B	% P to B	% Of Total	F02 R'000	F03 R'000
	ORG BUDGET	ADJ BUDGET	YEAR TO DATE	PROJECTED	2015/16				2016/17	2017/18
EXPENDITURE										
Employee Related Costs - Salaries & Wages	65,480	62,556	41,060	57,589	68,682	9.79%	19.26%	30.89%	73,146	77,535
Employee Related Costs - Overtime	1,046	1,046	1,126	1,579	1,117	6.80%	-29.26%	0.50%	1,189	1,261
Employee Related Costs - Social Contributions	8,883	8,883	5,608	7,803	11,684	31.53%	49.73%	5.25%	12,443	13,190
Remuneration of Councillors	91,952	91,952	63,881	92,029	98,334	6.94%	6.85%	44.23%	104,725	111,009
Sub-Total: REMUNERATION	167,361	164,437	111,674	159,000	179,816	9.35%	13.09%	80.87%	191,505	202,995
Repairs and Maintenance - External Contractors	30	60	3	6	77	27.79%	1255.26%	0.03%	81	86
Sub-Total: REPAIRS AND MAINTENANCE	30	60	3	6	77	27.79%	1255.26%	0.03%	81	86
CONTRACTED SERVICES	1,060	1,260	380	625	1,302	3.33%	108.28%	0.59%	1,374	1,483
GENERAL EXPENSES	30,828	34,491	23,178	43,184	41,144	19.29%	-4.73%	18.50%	41,207	41,275
TOTAL OPERATING EXPENDITURE	199,279	200,249	135,235	202,815	222,339	11.03%	9.63%	100.00%	234,167	245,839
NET OPERATING EXPENDITURE	199,279	200,249	135,235	202,815	222,339	11.03%	9.63%	100.00%	234,167	245,839
OPERATING SURPLUS/(DEFICIT)	(199,279)	(200,249)	(135,235)	(202,815)	(222,339)	11.03%	9.63%		(234,167)	(245,839)
NET OPERATING SURPLUS/ (DEFICIT)	(199,279)	(200,249)	(135,235)	(202,815)	(222,339)	11.03%	9.63%		(234,167)	(245,839)

2.10.23 REAL ESTATE

The following divisions in the Real Estate Department were approved:

- Strategy and planning.
- Governance and compliance.
- Support services.
- Portfolio advisory services.
- Property development.
- Property management.
- Facilities management.
- Parks and cemeteries.

The following actions are planned for the New Year:

- Filling of vacancies of head of department and three divisional heads.
- Approval of the Real Estate Strategy.
- Amalgamation of functions currently diversified in various departments.
- Approval of the complete Real Estate organisational structure.

Progress with the revenue enhancement drive in EMM with respect to the role the new Real Estate Department should play

The potential exists to maximise the rental from the commercial lease portfolio by ensuring that all new leases and renewals are done at proven market-related rentals and escalations. The current back-log needs to be addressed with the additional resource and man-power required which will be brought about with the institutional review process, the amalgamation of property transactions and improved systems, delegation and procedure.

Every effort must be made to facilitate shorter approval processes by the correct interpretation of the MFMA, asset transfer regulations and SCM regulations. The property portfolio needs to be segmented in order to identify specific sites with high rental value potential. The aim is to increase the real revenue with 5% annually.

Many of Council's existing real estate assets (buildings) are in a state of neglect. An amount of R15m has been allocated to enhance revenue potential of some of these facilities. This is part of the prestige building programme where components of the building will be repaired to increase the revenue potential of the facility. Examples are Springs Market, Alberton civic community facilities etc.

Flagship Projects as pronounced by the Executive Mayor

The Real Estate Department is involved, as a secondary partner, with the two flagship projects:

NAME OF THE PROJECT	BRIEF DESCRIPTION
Establishment of a functional Real Estate management unit	<ul style="list-style-type: none"> • Setting up of Real Estate Department and strategy conceptualisation. • Completion of the strategy and organisational structure.

Real Estate Departmental key strategic projects as identified by the department

Office accommodation and office densification projects

R122.5m collectively has been budgeted for office accommodation and densification purposes.

Council has several expense leases where Council leases buildings for office accommodation purposes. Council wants to reduce the expense leases and rather occupy office space owned by Council. The funds will be used to:

- Procure properties that have been identified by Germiston Urban Regeneration Task Team in terms of the implementation plan of the urban renewal of the city.
- Density council-owned office space.
- Refurbish office space.

Upgrade of Electrical/Mechanical Installations in EMM Buildings

Electro mechanical installations such as lifts, central air conditioning systems, generators etc. in various EMM buildings are past their useful engineered economic life cycle. They have deteriorated to an unacceptable state resulting in failure and subject to costly maintenance and repairs expenditure. It is necessary to start the process of renewal and upgrading with the purpose of compliance with health and safety regulations and reduction of risk factors leading to failures.

Upgrade and renewal of buildings around EMM

Complete replacement of building components to extend the remaining useful lifespan of buildings.

Revenue generating projects (prestige buildings)

R20m has been allocated to revenue enhancement (refurbishment of lettable facilities). The Property Advisory Division will identify buildings with revenue potential. Work will be done on buildings where any improvement to the facility will enhance the revenue potential of the facility. Value for money studies will be done to prioritise the facilities with the aim to allocate funding to the most lucrative projects. Examples of such facilities are the Germiston Lake and Gyllolis Farm.

Segmentation of the EMM property portfolio

The Portfolio Advisory Division of RE will be tasked to divide the portfolio into segments for which specific strategies could be developed with the aim of improving the financial, social and strategic benefit derived from the said segment. Examples of this strategy are to have a specific strategy for cell masts, billboards, council shops etc.

The department started developing strategies to deal with council-owned shops, out-of-home advertising and cell masts.

The result statement of the department is contained in the IDP in Annexure A.

Operating Budget

The 2015/16 Real Estate Department Operational Expenditure Budget comprises mainly staff remuneration which constitutes approximately 20% of the budget. Repair and Maintenance is the biggest cost driver which is approximately 70% of the budget.

Table 83 Operating Budget of the Real Estate Department

EKURHULENI METROPOLITAN MUNICIPALITY										
REAL ESTATE										
FINANCIAL PERIOD	F00 R'000 ORG BUDGET	F00 R'000 ADJ BUDGET	F00 R'000 YEAR TO DATE	F00 R'000 PROJECTED	F01 R'000 2015/16	% B to B	% P to B	% Of Total	F02 R'000 2016/17	F03 R'000 2017/18
INCOME										
Interest Earned - Outstanding Debtors	-	-	136	182	-	0.00%	0.00%	0.00%	-	-
Sub-total: PENALTIES AND INTEREST ON DEBTORS	-	-	136	182	-	0.00%	0.00%	0.00%	-	-
MINOR INCOME	28,715	28,715	18,363	25,470	-	-100.00%	0.00%	0.00%	-	-
Total: USER CHARGES FOR SERVICES	28,715	28,715	18,363	25,470	-	-100.00%	0.00%	0.00%	-	-
RENT OF FACILITIES AND EQUIPMENT	14,662	14,662	8,611	11,481	13,121	-10.50%	14.29%	63.33%	14,171	15,305
LICENSES AND PERMITS	-	6,283	7,738	9,877	7,598	20.91%	-23.08%	36.67%	8,167	8,780
Provincial Operating Grants	446	764	82	764	-	-100.00%	0.00%	0.00%	-	-
Sub-Total: OPERATING GRANTS	446	764	82	764	-	-100.00%	0.00%	0.00%	-	-
USDG	71,100	29,546	9,497	28,069	-	-100.00%	0.00%	0.00%	-	-
Sub-Total: CAPITAL GRANTS	71,100	29,546	9,497	28,069	-	-100.00%	0.00%	0.00%	-	-
SUNDRY INCOME	2,150	2,150	2,056	2,826	-	-100.00%	0.00%	0.00%	-	-
TOTAL OPERATING INCOME	117,072	82,120	46,483	78,669	20,719	-74.77%	-73.66%	100.00%	22,339	24,085
NET OPERATING INCOME	117,072	82,120	46,483	78,669	20,719	-74.77%	-73.66%	100.00%	22,339	24,085
EXPENDITURE										
Employee Related Costs - Salaries & Wages	380,898	375,109	261,400	366,633	69,300	-81.53%	-81.10%	41.44%	73,805	78,233
Employee Related Costs - Overtime	9,377	9,377	22,282	31,252	420	-95.53%	-98.66%	0.25%	447	474
Employee Related Costs - Social Contributions	98,482	98,482	65,552	91,208	15,083	-84.68%	-83.46%	9.02%	16,063	17,027
Less: Employeee Related Costs - Salaries Capitalised	(3,308)	(3,308)	-	(1,040)	-	-100.00%	0.00%	0.00%	-	-
Less :Employeee Related Costs - Salaries to R and M Intern	(48,874)	(48,874)	(9,643)	(12,858)	(50,959)	4.27%	296.34%	-30.47%	(54,272)	(57,528)
Sub-Total: REMUNERATION	436,575	430,787	339,591	475,196	33,843	-92.14%	-92.88%	20.24%	36,043	38,206
Repairs and Maintenance - External Contractors	125,033	123,343	58,635	126,784	72,022	-41.61%	-43.19%	43.07%	79,224	87,146
Repairs and Maintenance - Internal Maintenance Teams	55,227	46,914	6,390	8,520	51,606	10.00%	505.72%	30.86%	54,961	58,258
Sub-Total: REPAIRS AND MAINTENANCE	180,260	170,257	65,025	135,304	123,628	-27.39%	-8.63%	73.92%	134,185	145,405
CONTRACTED SERVICES	45,138	44,520	29,756	48,984	200	-99.55%	-99.59%	0.12%	211	228
GENERAL EXPENSES	40,955	39,559	25,293	47,227	9,306	-76.48%	-80.29%	5.56%	9,573	9,856
OPERATING GRANTS EXPENDITURE	446	764	82	206	-	-100.00%	0.00%	0.00%	-	-
TOTAL OPERATING EXPENDITURE	703,374	685,887	459,747	706,916	166,977	-75.66%	-76.38%	99.84%	180,012	193,694
Internal Charges	15,173	15,173	33,552	38,399	260	-98.28%	-99.32%	0.16%	288	319
NET OPERATING EXPENDITURE	718,547	701,059	493,299	745,315	167,238	-76.14%	-77.56%	100.00%	180,300	194,013
OPERATING SURPLUS/(DEFICIT)	(601,475)	(618,940)	(446,816)	(666,646)	(146,519)	-76.33%	-78.02%		(157,962)	(169,928)
Contribution to Capital Budget	71,100	29,546	9,497	28,069	-	-100.00%	0.00%		-	-
NET OPERATING SURPLUS/ (DEFICIT)	(672,575)	(648,486)	(456,313)	(694,715)	(146,519)	-77.41%	-78.91%		(157,962)	(169,928)

Capital Budget of the Real Estate Department

An amount of R220.7m for 2015/16, R210.1m for 2016/17 and R741.5m for the 2017/18 financial years have been provided for the Real Estate Department

The department has requested the following Capital Budget:

Department	Project Name	Capitalisation Investment Framework Category	CCA	Ward/s in which project is located	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
Real Estate	Audiovisuals	Upgrading and Renewal	Operational Equipment	Operational Equipment	-	-	15,000,000
Real Estate	Brownfield Property Acquisition	Urban Restructuring	Germiston	36	50,000,000	50,000,000	50,000,000
Real Estate	Construction of Civic Tower	Urban Restructuring	Germiston	36	10,000,000	50,000,000	525,000,000
Real Estate	Construction of Legislature House	Urban Restructuring	Corporate		2,500,000	8,000,000	9,500,000
Real Estate	Densification of Council Buildings	Upgrading and Renewal	Kempton Park	16	20,000,000	20,000,000	20,000,000
Real Estate	Densification of Council Buildings	Upgrading and Renewal	Boksburg	32	5,000,000	10,000,000	10,000,000
Real Estate	Densification of Council Buildings	Upgrading and Renewal	Alberton	37	20,000,000	10,000,000	10,000,000
Real Estate	Densification of Council Buildings	Upgrading and Renewal	Benoni	27	15,000,000	10,000,000	10,000,000
Real Estate	Fencing of Facilities	Urban Restructuring	Corporate	All wards	-	-	10,000,000
Real Estate	Germiston Civic Precinct	Upgrading and Renewal	Germiston	36	50,000,000	30,000,000	30,000,000
Real Estate	ICT Equipment	Upgrading and Renewal	Operational Equipment	Operational Equipment	3,600,000	4,320,000	-
Real Estate	Office Furniture	Upgrading and Renewal	Operational Equipment	Operational Equipment	600,000	720,000	-
Real Estate	Office furniture for densified buildings	Upgrading and Renewal	Operational Equipment	Operational Equipment	2,000,000	2,000,000	2,000,000
Real Estate	OHS and Safety Equipm	Upgrading and Renewal	Operational Equipment	Operational Equipment	-	-	15,000,000
Real Estate	Other Equipment	Upgrading and Renewal	Operational Equipment	Operational Equipment	80,000	80,000	-
Real Estate	Refurbishment of Lettable Facilities	Upgrading and Renewal	Corporate	Multi Wards	-	-	10,000,000
Real Estate	Refurbishment of Lettable Facilities - Germiston lake, Ablutions	Upgrading and Renewal	Germiston	36	4,000,000	-	-
Real Estate	Refurbishment of Lettable Facilities - Kwa Thema Detective offices	Upgrading and Renewal	Kwa Thema	78	16,000,000	-	-

Department	Project Name	Capitalisation Investment Framework Category	CCA	Ward/s in which project is located	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
Real Estate	Refurbishment of Lettable Facilities - Gyloolis Farm	Upgrading and Renewal	Edenvale	20	-	5,000,000	-
Real Estate	Security upgrade of facilities	Upgrading and Renewal	Corporate	All wards	-	-	10,000,000
Real Estate	Upgrade and renewal of buildings around EMM	Upgrading and Renewal	Corporate	All wards	10,000,000	-	-
Real Estate	Upgrade of Electro Mechanical Installations in EMM Buildings	Upgrading and Renewal	Corporate	All wards	5,000,000	10,000,000	10,000,000
Real Estate	Vehicles	Upgrading and Renewal	Operational Equipment	Operational Equipment	7,000,000	-	3,000,000
Real Estate	Vehicles (2 Seats or Less)	Upgrading and Renewal	Operational Equipment	Operational Equipment	-	-	2,000,000
					220,780,000	210,120,000	741,500,000

Expected outcomes from the implementation of the Capital Budget

The total budget for the department is R220.7m
Significant projects for the department are:

- R50m for Brownfield Property Acquisition
- R60m for Densification of Council Buildings
- R20m for Lettable facilities

Office accommodation and office densification projects

R122.5m collectively has been budgeted for office accommodation and densification purposes.

Council has several expense leases where Council leases buildings for office accommodation purposes. Council wants to reduce the expense leases and rather occupy office space owned by Council. The funds will be used to:

- Procure properties that have been identified by Germiston Urban Regeneration Task Team in terms of the implementation plan of the urban renewal of the city.
- Density council-owned office space.
- Refurbish office space.

Germiston Civic Precinct

An amount of R50m has been budgeted for commencing with the development of the Germiston Civic Precinct in accordance with the long term planning strategy for this area. The plan will commence with the appointment of consulting teams to prepare documentation for the implementation of the first phase of the project which comprises the proposed new Head Office Building in which the top management structure of Ekurhuleni will be accommodated.

This phase will tie in with the planned later phases which will include the following;

Mixed use buildings containing residential, commercial and business premises

- The upgrading of existing Council owned buildings in the Civic Precinct, including the existing civic centre
- A new City Library
- A new Civic Square and pedestrian areas adjacent to the existing Civic Centre and proposed Library
- Parking Garage

Construction of Community Precinct

It is recommended that the need religious infrastructure be addressed with the development of Religious Precinct. The precinct can be become a catalytic precinct that can be applied and contextualized to other areas and communities. The development will be developed in such a manner that it will address the following issues. At social investment project, the religious precinct will fulfil an important function in the communities which derives from among others, the moral regeneration program driven by the national government. The precinct will socially benefit the community by providing infrastructure, the business opportunities, sports facilities, libraries, religious guidance, arts and cultural activities and counselling and holistic wellness. An early childhood development center is also proposed and that create employment for youth and women. The project is designed in such a way that it self-sustainable and further generate income for the council

1. Mixed Use Development;
2. Provide for further development;
3. Invite private sector Participation i.e. retail, offices, covered street markets;
4. Improve the socio economic status of the community;
5. Libraries and play grounds;
6. Be able to accommodate up to 22 services simultaneously;
7. Be accessible and safe to all the members of the communities.

2.10.24 RISK MANAGEMENT

Key Strategic Projects of RISK MANAGEMENT

Compliance Management Programme

The department is responsible for ensuring compliance throughout the metro and aims to improve the level of compliance maturity over the MTREF period. The projects will focus on identifying all compliance risks and assisting departments to put into place plans to mitigate high risks. This programme will further include training and certification of officials in the area of compliance to improve the capacity of the municipality in managing compliance risks.

Review of risk financing mechanisms

The importance of enforcing an effective risk transfer method is essential for an organisation as large as the metro. Therefore, the department has identified risk financing and risk transfer as an essential component within its operations. The department will institute a project over the next three years to review the employees risk financing mechanisms as well as introduce methods that are economical, efficient and effective.

Business Continuity Programme

The department will engage over the next two financial years on a comprehensive business continuity management project. The project is aimed at building institutional resilience to withstand shock events. The outcome of this project is expected to result in reduction in the likelihood of business disruptions. The Business Continuity Plan aims to provide key methods for safeguarding and protecting the safety of employees and citizens as well as the possible reputational damage that may occur during such an unforeseen event.

Project Risk Management

The municipality is expanding its capital expenditure programme with the implementation of high profile projects such as the IRTPN. The Risk Management Department will over the next three year period prioritise the institution of a framework for risk profiling of projects as well as well putting in place mitigation plans for management of project risks.

Operating Budget

The department will use about 70% of its total operating budget to cover its employee related costs. This will cover the expansion of the department as appointments are made in the key roles such as business continuity, project risk management and ethics risk management. Due to the nature of the work of the department which is largely advisory services, most of the financial resources are dedicated to employee pay and specialized contract projects (included under General Expenses). The budget requests were made on the needs known at the time of compilation of the budget. The Department, from time to time, receives special and urgent assignments that may require additional funds. Therefore the Department may require additional funds over the next two financial years to deal with ad-hoc assignments.

The general expenses include planned acquisitions of management information systems to support the reporting on enterprise risks as well as vetting and disclosure of interest by employees and suppliers.

Table 84 Operating Budget of the Risk Management Department

EKURHULENI METROPOLITAN MUNICIPALITY											
RISK MANAGER											
FINANCIAL PERIOD	F00 R'000 ORG BUDGET	F00 R'000 ADJ BUDGET	F00 R'000 YEAR TO DATE	F00 R'000 PROJECTED	F01 R'000 2015/16	% B to B	% P to B	% Of Total	F02 R'000 2016/17	F03 R'000 2017/18	
EXPENDITURE											
Employee Related Costs - Salaries & Wages	7,666	7,666	5,075	7,119	10,833	41.31%	52.18%	74.80%	11,538	12,230	
Employee Related Costs - Overtime	-	-	0	0	-	0.00%	0.00%	0.00%	-	-	
Employee Related Costs - Social Contributions	107	107	75	105	1,319	1133.31%	1161.22%	9.10%	1,404	1,489	
Sub-Total: REMUNERATION	7,773	7,773	5,151	7,224	12,152	56.33%	68.23%	83.90%	12,942	13,718	
GENERAL EXPENSES	10,900	12,379	2,344	4,367	2,331	-81.17%	-46.61%	16.10%	2,331	2,331	
TOTAL OPERATING EXPENDITURE	18,673	20,152	7,495	11,590	14,483	-28.13%	24.96%	100.00%	15,273	16,050	
NET OPERATING EXPENDITURE	18,673	20,152	7,495	11,590	14,483	-28.13%	24.96%	100.00%	15,273	16,050	
OPERATING SURPLUS/(DEFICIT)	(18,673)	(20,152)	(7,495)	(11,590)	(14,483)	-28.13%	24.96%		(15,273)	(16,050)	
NET OPERATING SURPLUS/(DEFICIT)	(18,673)	(20,152)	(7,495)	(11,590)	(14,483)	-28.13%	24.96%		(15,273)	(16,050)	

Capital Budget of RISK MANAGEMENT

The Departmental capital expenditure for the next two financial years is reflected in the table below. The capital budget is spread over three items namely ICT Equipment, Office Furniture and Other Equipment. This budget is allocate to meet the needs of the additional employees that are anticipated to be appointed over the three year period.

The department has requested the following Capital Budget:

Department	Project Name	Capitalisation Investment Framework Category	CCA	Ward/s in which project is located	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
Risk Management	ICT Equipment	Upgrading and Renewal	Operational Equipment	Operational Equipment	120,000	150,000	160,000
Risk Management	Office Furniture	Upgrading and Renewal	Operational Equipment	Operational Equipment	80,000	50,000	60,000
Risk Management	Other Equipment	Upgrading and Renewal	Operational Equipment	Operational Equipment	20,000	20,000	30,000
					220,000	220,000	250,000

2.10.25 ROADS AND STORM WATER

The result statements of the department is contained in the IDP in Annexure A.

Key Strategic Projects of the Roads and Storm water Department:

NAME OF THE PROJECT	BRIEF DESCRIPTION
Fak'imali Uzobona	The upgrading and construction of storm water infrastructure on an as and when required basis. This includes construction of new roads and storm water services as well as upgrading of existing roads and storm water services.
Hlasel' ama Potholes	Patching of potholes and repairs to failed sections of paved roads (rehabilitation and resurfacing). This includes the reconstruction of failed layers of existing roads, patching and repairs of surface layers, road markings, traffic calming measures etc.

Fak'imali Uzobona

This project addresses the construction of new roads and storm water drainage services as well as the upgrading of existing roads and storm water services predominantly in the areas where the backlog is the greatest. These areas are Duduza, Tsakane, KwaThema, Daveyton/Etswatwa, Wattville, Vosloorus, Katlehong, Tokoza and Tembisa, commercial and industrial areas.

Areas where township development (housing as well as industrial and commercial) is taking place, is also catered for under this programme, which is a multi-year project (spanning over more than one financial year). Consultants and contractors are in place (also appointed on a multi-year basis). The appointment of consultants and contractors, over multi-financial years, will facilitate a “seamless” continuation/implementation of new budgets without the time consuming process of advertising and appointment every financial year. The estimated implementation amount is R340m per annum

Hlasel' ama Potholes

This project addresses the rehabilitation, patching and repair of tar roads through the appointment of SMMEs (small contractors), as well as the as and when contractors, which have been appointed in all areas of EMM. The methods of repairs are based on labour intensive methods thus contributing to job creation. These SMMEs will also be appointed on a multi-year basis. The budget for the external costs for roads repairs and maintenance amounts to R387m.

Table 85 Operating Budget of the Roads and Storm Water Department

EKURHULENI METROPOLITAN MUNICIPALITY											
ROADS AND STORMWATER											
FINANCIAL PERIOD											
	F00 R'000 ORG BUDGET	F00 R'000 ADJ BUDGET	F00 R'000 YEAR TO DATE	F00 R'000 PROJECTED	F01 R'000 2015/16	% B to B	% P to B	% Of Total	F02 R'000 2016/17	F03 R'000 2017/18	
INCOME											
MINOR INCOME											
Total: USER CHARGES FOR SERVICES	1,800	1,800	308	428	1,908	6.00%	346.12%	0.98%	2,013	2,124	
RENT OF FACILITIES AND EQUIPMENT	1,800	1,800	308	428	1,908	6.00%	346.12%	0.98%	2,013	2,124	
Capital Grants - Other	5,500	4,500	31	41	53	100.00%	29.00%	0.03%	57	61	
USDG	282,250	285,450	70,451	271,178	170,150	-100.00%	0.00%	0.00%	-	-	
Sub-Total: CAPITAL GRANTS	287,750	289,950	70,451	275,453	170,150	-40.39%	-37.26%	87.06%	122,000	162,700	
SUNDRY INCOME	8,500	9,633	16,833	23,141	23,330	142.19%	0.82%	11.94%	24,613	25,967	
TOTAL OPERATING INCOME	298,050	301,383	87,623	299,062	195,440	-35.15%	-34.65%	100.00%	148,683	190,852	
NET OPERATING INCOME	298,050	301,383	87,623	299,062	195,440	-35.15%	-34.65%	100.00%	148,683	190,852	
EXPENDITURE											
Employee Related Costs - Salaries & Wages	181,559	176,606	116,385	163,238	189,309	7.19%	15.97%	12.14%	201,614	213,710	
Employee Related Costs - Overtime	4,462	4,462	5,899	8,274	4,766	6.80%	-42.40%	0.31%	5,076	5,380	
Employee Related Costs - Social Contributions	41,392	41,392	27,849	38,748	41,886	1.19%	8.10%	2.69%	44,609	47,285	
Less: Employee Related Costs - Salaries Capitalised	(13,778)	(13,778)	-	(4,331)	(13,778)	0.00%	218.09%	-0.88%	(14,673)	(15,554)	
Less :Employee Related Costs - Salaries to R and M Intern	(154,935)	(154,935)	(108,509)	(144,679)	(163,737)	5.68%	13.17%	-10.50%	(174,380)	(184,843)	
Sub-Total: REMUNERATION	58,702	53,749	41,623	61,250	58,446	8.74%	-4.58%	3.75%	62,245	65,979	
DEPRECIATION											
Repairs and Maintenance - External Contractors	915,841	915,841	686,880	915,841	918,607	0.30%	0.30%	58.90%	946,165	979,281	
Repairs and Maintenance - Internal Maintenance Teams	333,551	331,794	67,231	145,370	387,253	16.71%	166.39%	24.83%	425,979	468,576	
Sub-Total: REPAIRS AND MAINTENANCE	158,983	159,107	111,408	148,544	168,130	5.67%	13.19%	10.78%	179,058	189,802	
CONTRACTED SERVICES	492,534	490,901	178,638	293,914	555,383	13.14%	88.96%	35.61%	605,037	658,378	
GENERAL EXPENSES	700	1,190	29	47	700	-41.18%	1390.12%	0.04%	739	798	
TOTAL OPERATING EXPENDITURE	23,221	22,423	8,541	15,914	23,048	2.79%	44.83%	1.48%	23,728	24,445	
Internal Charges	1,490,997	1,484,103	915,712	1,286,965	1,556,184	4.86%	20.92%	99.78%	1,637,913	1,728,881	
NET OPERATING EXPENDITURE	3,017	3,017	4,044	4,629	3,424	13.49%	-26.02%	0.22%	3,824	4,270	
NET OPERATING EXPENDITURE	1,494,014	1,487,120	919,756	1,291,594	1,559,608	4.87%	20.75%	100.00%	1,641,737	1,733,151	
OPERATING SURPLUS/(DEFICIT)											
Contribution to Capital Budget	(1,195,964)	(1,185,737)	(832,133)	(992,532)	(1,364,167)	15.05%	37.44%		(1,493,055)	(1,542,300)	
Total Transfers from Cash-Backed Reserves	287,750	289,950	70,451	275,453	170,150	-41.32%	-38.23%		122,000	162,700	
NET OPERATING SURPLUS/(DEFICIT)	260,375	260,375	195,282	260,375	193,006	-25.87%	-25.87%		128,670	64,335	
NET OPERATING SURPLUS/(DEFICIT)	(1,223,338)	(1,215,311)	(707,302)	(1,007,609)	(1,341,312)	10.37%	33.12%		(1,486,384)	(1,640,665)	

Capital Budget of the Roads and Storm Water Department

An amount of R674.7m for 2015/16, R635.4m for 2016/17 and R576.7m for the 2017/18 financial years have been provided for the Roads and Storm Water Department

The department has requested the following Capital Budget:

Department	Project Name	Capitalisation Investment Framework Category	CCA	Ward/s in which project is located	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
Roads and Stormwater	Roads: Low Cost Housing: East	Urban Restructuring	Corporate	Multi Wards	-	45,000,000	40,000,000
Roads and Stormwater	Roads: Low Cost Housing: EastBarbet Street, Swallow Road in 2015/16, Western road and Boundary Road in 2016/17	Urban Restructuring	Benoni	24	4,900,000	-	-
Roads and Stormwater	Roads: Low Cost Housing: EastTsavo road at Extension 34.	Urban Restructuring	Etwatwa	26	150,000	-	-
Roads and Stormwater	Roads: Low Cost Housing: EastMokgopo, Madiba, Ekuthuleni and Masondo street	Urban Restructuring	Etwatwa	65	3,500,000	-	-
Roads and Stormwater	Roads: Low Cost Housing: East29th Street in 2015/2016 32nd Street in 2016/2017	Urban Restructuring	Etwatwa	66	2,500,000	-	-
Roads and Stormwater	Roads: Low Cost Housing: EastSebata Road and Roads in Chris Hani Ext 1 & 2	Urban Restructuring	Daveyton	68	4,000,000	-	-
Roads and Stormwater	Roads: Low Cost Housing: EastTarring of Vivienne drive, channeling of the bridge for between Ext 1 & 2	Urban Restructuring	Daveyton	69	2,900,000	-	-
Roads and Stormwater	Roads: Low Cost Housing: EastMasango, Mphahlela, Mbhele, Holomisa, Malume, Holomisa, Malume, Sokhela, Kope, Matsimela, Rantla, Machadibana will be implemented over multi financial years	Urban Restructuring	Kwa Thema	77	2,500,000	-	-

EKURHULENI METROPOLITAN MUNICIPALITY – FINAL BUDGET 2015/16 TO 2017/18

Department	Project Name	Capitalisation Investment Framework Category	CCA	Ward/s in which project is located	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
Roads and Stormwater	Roads: Low Cost Housing: EastMasechaba: Mojela, JB Max Ext 9 Tsakane: Xaba Street, Bluegum: Zabalaza 9 Freedom	Urban Restructuring	Duduza	86	2,600,000	-	-
Roads and Stormwater	Roads: Low Cost Housing: EastWinnie Mandela, Robinson Ext 1 & 4 Cool breeze Lekope	Urban Restructuring	Duduza	87	2,600,000	-	-
Roads and Stormwater	Roads: Low Cost Housing: EastTau Drive (+ 1.2 km) and Kgabo Street (+ 1.2 km)	Urban Restructuring	Daveyton	96	3,700,000	-	-
Roads and Stormwater	Roads: Low Cost Housing: EastSabie Street. Leachville	Urban Restructuring	Brakpan	97	500,000	-	-
Roads and Stormwater	Roads: Low Cost Housing: EastBridge at corner: Leopeng and Mabuya streets and canal	Urban Restructuring	Duduza	98	150,000	-	-
Roads and Stormwater	Roads: Low Cost Housing: North	Urban Restructuring	Corporate	Multi Wards	-	19,000,000	10,000,000
Roads and Stormwater	Roads: Low Cost Housing: NorthPatrice Lomumba	Urban Restructuring	Tembisa 2	2	2,400,000	-	-
Roads and Stormwater	Roads: Low Cost Housing: NorthNomzamo	Urban Restructuring	Tembisa 2	3	2,400,000	-	-
Roads and Stormwater	Roads: Low Cost Housing: NorthEsselen Park ext 1 Link Roads	Urban Restructuring	Tembisa 1	8	2,400,000	-	-
Roads and Stormwater	Roads: Low Cost Housing: NorthLifateng, Erf 9	Urban Restructuring	Tembisa 1	9	1,800,000	-	-
Roads and Stormwater	Roads: Low Cost Housing: NorthIsivana Section and Enxiweni	Urban Restructuring	Tembisa 1	14	4,600,000	-	-
Roads and Stormwater	Roads: Low Cost Housing: NorthMoshoeshoe	Urban Restructuring	Tembisa 2	89	2,400,000	-	-
Roads and Stormwater	Roads: Low Cost Housing: NorthCompletion Esselen Park Roads	Urban Restructuring	Kempton Park	91	1,000,000	-	-

EKURHULENI METROPOLITAN MUNICIPALITY – FINAL BUDGET 2015/16 TO 2017/18

Department	Project Name	Capitalisation Investment Framework Category	CCA	Ward/s in which project is located	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
Roads and Stormwater	Roads: Low Cost Housing: South	Urban Restructuring	Corporate	Multi Wards	-	40,000,000	35,000,000
Roads and Stormwater	Roads: Low Cost Housing: SouthMeazwe street,Koti street, Arapei street	Urban Restructuring	Katlehong 1	51	3,300,000	-	-
Roads and Stormwater	Roads: Low Cost Housing: South2015/16: Road 1 Palm Ridge 9, Road 2: Ugagane Outer Years: Verbena, Ntloboshiyane, Umqwaloth, Kotloano Street	Urban Restructuring	Alberton	53	8,200,000	-	-
Roads and Stormwater	Roads: Low Cost Housing: SouthZimbabwe and other	Urban Restructuring	Thokoza	58	1,800,000	-	-
Roads and Stormwater	Roads: Low Cost Housing: South1st street - zonkezizwe st	Urban Restructuring	Katlehong 2	61	600,000	-	-
Roads and Stormwater	Roads: Low Cost Housing: South2nd Street	Urban Restructuring	Katlehong 2	61	3,900,000	-	-
Roads and Stormwater	Roads: Low Cost Housing: South3rd Street	Urban Restructuring	Katlehong 2	61	1,100,000	-	-
Roads and Stormwater	Roads: Low Cost Housing: South4th Street	Urban Restructuring	Katlehong 2	61	900,000	-	-
Roads and Stormwater	Roads: Low Cost Housing: South5th Street	Urban Restructuring	Katlehong 2	61	1,400,000	-	-
Roads and Stormwater	Roads: Low Cost Housing: SouthOuter Years	Urban Restructuring	Katlehong 2	61	300,000	-	-
Roads and Stormwater	Roads: Low Cost Housing: South24th Street - zonkezizwe st	Urban Restructuring	Katlehong 2	62	2,300,000	-	-
Roads and Stormwater	Roads: Low Cost Housing: South25th Avenue	Urban Restructuring	Katlehong 2	62	1,270,000	-	-
Roads and Stormwater	Roads: Low Cost Housing: South26th Street	Urban Restructuring	Katlehong 2	62	750,000	-	-
Roads and Stormwater	Roads: Low Cost Housing: South27th Street	Urban Restructuring	Katlehong 2	62	600,000	-	-

EKURHULENI METROPOLITAN MUNICIPALITY – FINAL BUDGET 2015/16 TO 2017/18

Department	Project Name	Capitalisation Investment Framework Category	CCA	Ward/s in which project is located	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
Roads and Stormwater	Roads: Low Cost Housing: South	Urban Restructuring	Corporate	Multi Wards	-	40,000,000	35,000,000
Roads and Stormwater	Roads: Low Cost Housing: South28th Street	Urban Restructuring	Katlehong 2	62	500,000	-	-
Roads and Stormwater	Roads: Low Cost Housing: South23rd Street	Urban Restructuring	Katlehong 2	62	1,100,000	-	-
Roads and Stormwater	Roads: Low Cost Housing: SouthOuter Years	Urban Restructuring	Katlehong 2	62	300,000	-	-
Roads and Stormwater	Roads: Low Cost Housing: SouthNaledi	Urban Restructuring	Katlehong 2	101	900,000	-	-
Roads and Stormwater	Roads: Low Cost Housing: SouthNcambo	Urban Restructuring	Katlehong 2	101	780,000	-	-
Roads and Stormwater	Aerotropolis: Rhodesfield road network	Economic Development	Kempton Park	17	7,000,000	20,000,000	30,000,000
Roads and Stormwater	Atlasville Spruit flood management	Upgrading and Renewal	Boksburg	23	6,500,000	500,000	500,000
Roads and Stormwater	Bedfordview Stormwater Protection	Upgrading and Renewal	Edenvale	20	3,000,000	700,000	200,000
Roads and Stormwater	Bedfordview, Geometric Rd Improvement (Including Edenvale)	Upgrading and Renewal	Edenvale	20	3,000,000	5,000,000	5,000,000
Roads and Stormwater	Benoni,Const of S W Outfall Rynfild	Upgrading and Renewal	Benoni	27	500,000	500,000	-
Roads and Stormwater	Bergrivier Drive: Reconstruction & widening	Upgrading and Renewal	Kempton Park	13	7,000,000	8,000,000	4,000,000
Roads and Stormwater	Constr. Of Small Holding Roads(Eastern Region)Gum Road	Upgrading and Renewal	Kempton Park	100	2,000,000	2,000,000	2,000,000
Roads and Stormwater	Constr. Of Small Holding Roads(Eastern Region)Acron and Jarrah	Upgrading and Renewal	Kempton Park	100	2,000,000	2,000,000	2,000,000
Roads and Stormwater	Constr. Of Small Holding Roads(Eastern Region)Kiaat	Upgrading and Renewal	Kempton Park	100	1,000,000	1,000,000	1,000,000
Roads and Stormwater	Construct Daveyton CBD/N12 Interchange	Urban Restructuring	Benoni	68,70,71,72	2,000,000	20,000,000	20,000,000

EKURHULENI METROPOLITAN MUNICIPALITY – FINAL BUDGET 2015/16 TO 2017/18

Department	Project Name	Capitalisation Investment Framework Category	CCA	Ward/s in which project is located	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
Roads and Stormwater	Roads: Low Cost Housing: South	Urban Restructuring	Corporate	Multi Wards	-	40,000,000	35,000,000
Roads and Stormwater	Roads: Low Cost Housing: South 28th Street	Urban Restructuring	Katlehong 2	62	500,000	-	-
Roads and Stormwater	Roads: Low Cost Housing: South 23rd Street	Urban Restructuring	Katlehong 2	62	1,100,000	-	-
Roads and Stormwater	Construction of K86	Upgrading and Renewal	Daveyton	24,25,26,96	2,000,000	20,000,000	10,000,000
Roads and Stormwater	Contribution Township Development	Upgrading and Renewal	Corporate	Multi Wards	500,000	1,000,000	1,000,000
Roads and Stormwater	De-silting Elsburg dam	Upgrading and Renewal	Alberton	39	150,000	500,000	500,000
Roads and Stormwater	Doubling Barry Marais Rd	Upgrading and Renewal	Boksburg	31,99,43,45	6,500,000	6,000,000	5,000,000
Roads and Stormwater	Eastern Reg, Impl New Traffic Sign	Urban Restructuring	Corporate	Multi Wards	-	2,000,000	1,000,000
Roads and Stormwater	Eastleigh Spruit Channel	Upgrading and Renewal	Edenvale	18,19	5,500,000	8,000,000	8,000,000
Roads and Stormwater	Elandsfontein, SW Implementation (North)	Upgrading and Renewal	Germiston	92	3,000,000	3,000,000	2,000,000
Roads and Stormwater	Extension of Albertina Sisulu Expressway	Upgrading and Renewal	Kempton Park	23,100	6,900,000	10,000,000	10,000,000
Roads and Stormwater	Geometric Road Improvements (North)	Upgrading and Renewal	Corporate	Multi Wards	-	6,000,000	8,000,000
Roads and Stormwater	Geometric Road Improvements (North) Completion Francis/Dormehl Anderbolt	Upgrading and Renewal	Boksburg	22	600,000	-	-
Roads and Stormwater	Geometric Road Improvements (North) Completion Sam Molele / Esselen Park ext3 Intersection.	Upgrading and Renewal	Tembisa 1	8,91	600,000	-	-
Roads and Stormwater	Geometric Road Improvements (North) Doubling Kwartel between Blouvalk and Paradysvink	Upgrading and Renewal	Kempton Park	13	1,500,000	-	-

EKURHULENI METROPOLITAN MUNICIPALITY – FINAL BUDGET 2015/16 TO 2017/18

Department	Project Name	Capitalisation Investment Framework Category	CCA	Ward/s in which project is located	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
Roads and Stormwater	Geometric Road Improvements (North)PTA road/ Vlei Street	Upgrading and Renewal	Kempton Park	15	1,100,000	-	-
Roads and Stormwater	Geometric Road Improvements (North)Electron Bend	Upgrading and Renewal	Kempton Park	17	1,000,000	-	-
Roads and Stormwater	Geometric Road Improvements (North)Completion Venus/ Mercury Intersection	Upgrading and Renewal	Boksburg	23	600,000	-	-
Roads and Stormwater	Geometric Road Improvements (North)R562/Axle Road Intersection	Upgrading and Renewal	Tembisa 2	89	600,000	-	-
Roads and Stormwater	Gladiator Stormwater System Implement	Upgrading and Renewal	Kempton Park	17	3,000,000	5,000,000	3,000,000
Roads and Stormwater	Harmelia / Buurendal SW Systems	Upgrading and Renewal	Edenvale	18,92	4,000,000	2,000,000	-
Roads and Stormwater	Hewlitt Drive Intersection	Upgrading and Renewal	Boksburg	32	750,000	2,500,000	500,000
Roads and Stormwater	ICT Equipment	Upgrading and Renewal	Operational Equipment	Operational Equipment	1,000,000	1,000,000	1,000,000
Roads and Stormwater	Impala Park and surrounding Stormwater System	Upgrading and Renewal	Boksburg	23	-	500,000	5,000,000
Roads and Stormwater	Implement Traffic Signals: East	Upgrading and Renewal	Benoni	Multi Wards	1,000,000	2,000,000	2,000,000
Roads and Stormwater	Isandovale,Erosion Protection Impl (North)	Upgrading and Renewal	Edenvale	18	2,500,000	3,000,000	2,000,000
Roads and Stormwater	K136 & Rd 1894 Link Road	Upgrading and Renewal	Kwa Thema	77,81	15,000,000	12,000,000	-
Roads and Stormwater	Kaal Spruit rehabilitation	Urban Restructuring	Tembisa 2	1	1,500,000	15,000,000	10,000,000
Roads and Stormwater	Katlehong Implementation of Stormwater Masterplan	Urban Restructuring	Katlehong 1	Multi Wards	11,000,000	12,000,000	8,000,000
Roads and Stormwater	Kraft Barbara Road Intersection Upgrade	Upgrading and Renewal	Germiston	21	6,000,000	-	-
Roads and Stormwater	Leachville Roads & Stormwater	Upgrading and Renewal	Brakpan	97	3,000,000	-	-

EKURHULENI METROPOLITAN MUNICIPALITY – FINAL BUDGET 2015/16 TO 2017/18

Department	Project Name	Capitalisation Investment Framework Category	CCA	Ward/s in which project is located	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
Roads and Stormwater	Minor Extentions to Stormwater Germiston	Upgrading and Renewal	Germiston	36,35,39,41,93	600,000	1,000,000	1,000,000
Roads and Stormwater	Minor Road Improvements: East	Upgrading and Renewal	Springs	Multi Wards	500,000	500,000	800,000
Roads and Stormwater	Minor Works for Roads and SW: South	Upgrading and Renewal	Germiston	Multi Wards	650,000	500,000	800,000
Roads and Stormwater	Monument Road	Upgrading and Renewal	Kempton Park	15	8,500,000	2,000,000	200,000
Roads and Stormwater	N3, Construction of pedestrian bridge between Mapleton & Vosloorus	Urban Restructuring	Vosloorus	44,95	14,600,000	-	-
Roads and Stormwater	Office Furniture	Upgrading and Renewal	Operational Equipment	Operational Equipment	300,000	400,000	400,000
Roads and Stormwater	Other Equipment	Upgrading and Renewal	Operational Equipment	Operational Equipment	100,000	200,000	300,000
Roads and Stormwater	Paving & Sidewalks: East	Urban Restructuring	Duduza	25,69,73	3,000,000	3,000,000	3,000,000
Roads and Stormwater	Pedestrian Bridges: Greater Tembisa streams	Urban Restructuring	Tembisa 1	1,2,14,10,90,91,100	1,300,000	5,000,000	2,000,000
Roads and Stormwater	Pedestrian Management East	Upgrading and Renewal	Corporate	Multi Wards	-	2,000,000	2,000,000
Roads and Stormwater	Pedestrian Management East	Upgrading and Renewal	Benoni	23,24,27,28,29,30,73,100	500,000	-	-
Roads and Stormwater	Pedestrian Management East	Upgrading and Renewal	Etwatwa	26,65,66,67	500,000	-	-
Roads and Stormwater	Pedestrian Management East	Upgrading and Renewal	Daveyton	,25,68,69,70,71,96	1,500,000	-	-
Roads and Stormwater	Pedestrian Management East	Upgrading and Renewal	Kwa Thema	74,78,77,79	500,000	-	-
Roads and Stormwater	Pedestrian Management East	Upgrading and Renewal	Duduza	84,86,87,98	1,500,000	-	-
Roads and Stormwater	Pedestrian Management East	Upgrading and Renewal	Tsakane	81,82,83,84,85,86	500,000	-	-
Roads and Stormwater	Pedestrian Management Impl. (North)	Upgrading and Renewal	Edenvale	4,5,7,9,10,11,12,18,19,22,92	6,000,000	6,000,000	6,000,000
Roads and Stormwater	Pedestrian Management: South	Upgrading and Renewal	Corporate	Multi Wards	-	5,500,000	5,000,000
Roads and Stormwater	Pedestrian Management: South	Upgrading and Renewal	Alberton	37,94	680,000	-	-
Roads and Stormwater	Pedestrian Management: South	Upgrading and Renewal	Boksburg	34,42,43	1,020,000	-	-
Roads and Stormwater	Pedestrian Management: South	Upgrading and Renewal	Germiston	21,93	680,000	-	-

EKURHULENI METROPOLITAN MUNICIPALITY – FINAL BUDGET 2015/16 TO 2017/18

Department	Project Name	Capitalisation Investment Framework Category	CCA	Ward/s in which project is located	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
Roads and Stormwater	Pedestrian Management: South	Upgrading and Renewal	Katlehong 1	48,49,50,51	1,360,000	-	-
Roads and Stormwater	Pedestrian Management: South	Upgrading and Renewal	Thokoza	52,54,57	1,020,000	-	-
Roads and Stormwater	Pedestrian Management: South	Upgrading and Renewal	Vosloorus	45	340,000	-	-
Roads and Stormwater	Pomona Roads (including Brentwood Park)	Upgrading and Renewal	Benoni	100,23	6,000,000	6,000,000	6,000,000
Roads and Stormwater	Pomona Stormwater System	Upgrading and Renewal	Boksburg	23	7,000,000	7,000,000	4,000,000
Roads and Stormwater	Pretoria Road Upgrading	Upgrading and Renewal	Benoni	24, 27	11,000,000	5,000,000	3,000,000
Roads and Stormwater	Provide Paving on erf 295 West Germiston for parking purposes	Upgrading and Renewal	Germiston	36	4,200,000	-	-
Roads and Stormwater	Quinine Rd Stormwater System	Upgrading and Renewal	Kempton Park	15	4,000,000	4,000,000	4,000,000
Roads and Stormwater	Raceview Stormwater Drainage system upgrades	Upgrading and Renewal	Alberton	37	-	500,000	6,000,000
Roads and Stormwater	Ravenswood Rd Construction (Future)	Upgrading and Renewal	Boksburg	22	5,000,000	7,000,000	500,000
Roads and Stormwater	Rehabilitate Dam Spillways	Upgrading and Renewal	Springs	28,31,73,88,97	3,000,000	-	-
Roads and Stormwater	Rehabilitate Roads in Eastern Region	Urban Restructuring	Tsakane	Multi Wards	45,000,000	30,000,000	35,000,000
Roads and Stormwater	Rehabilitation of Roads (North)	Upgrading and Renewal	Corporate	Multi Wards	-	25,000,000	40,000,000
Roads and Stormwater	Rehabilitation of Roads (North)Letsiakarana street from Etosha street to Mandara street=Mill and Inlay,both lanes.LEBOENG	Upgrading and Renewal	Tembisa 2	7	760,000	-	-
Roads and Stormwater	Rehabilitation of Roads (North)Ntsie street at the back of KFC and Engen garage.ILILIBA	Upgrading and Renewal	Tembisa 1	8	500,000	-	-

EKURHULENI METROPOLITAN MUNICIPALITY – FINAL BUDGET 2015/16 TO 2017/18

Department	Project Name	Capitalisation Investment Framework Category	CCA	Ward/s in which project is located	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
Roads and Stormwater	Rehabilitation of Roads (North)Petronella Road	Upgrading and Renewal	Kempton Park	91	700,000	-	-
Roads and Stormwater	Rehabilitation of Roads (North)Ossewa Road	Upgrading and Renewal	Kempton Park	13	700,000	-	-
Roads and Stormwater	Rehabilitation of Roads (North)Beukes Street	Upgrading and Renewal	Kempton Park	15	600,000	-	-
Roads and Stormwater	Rehabilitation of Roads (North)Van Riebeeck Road (bottom)	Upgrading and Renewal	Kempton Park	16	1,000,000	-	-
Roads and Stormwater	Rehabilitation of Roads (North)Rietfontein Road	Upgrading and Renewal	Kempton Park	15	500,000	-	-
Roads and Stormwater	Rehabilitation of Roads (North)Rehab CBD Roads (Central, West, Voortrekker, Pine Ave & Blockhouse)	Upgrading and Renewal	Germiston	17	880,000	-	-
Roads and Stormwater	Rehabilitation of Roads (North)Plane Road Subway	Upgrading and Renewal	Germiston	17	800,000	-	-
Roads and Stormwater	Rehabilitation of Roads (North)Anvil Road	Upgrading and Renewal	Germiston	17	800,000	-	-
Roads and Stormwater	Rehabilitation of Roads (North)Industry Road	Upgrading and Renewal	Germiston	17	1,000,000	-	-
Roads and Stormwater	Rehabilitation of Roads (North)Grader Road (Spartan Extension)	Upgrading and Renewal	Germiston	17	700,000	-	-
Roads and Stormwater	Rehabilitation of Roads (North)Sable Road (Ester Park)	Upgrading and Renewal	Germiston	17	700,000	-	-
Roads and Stormwater	Rehabilitation of Roads (North)Rigger Road (Spartan)	Upgrading and Renewal	Germiston	17	500,000	-	-
Roads and Stormwater	Rehabilitation of Roads (North)Harris Road (Edenglen)	Upgrading and Renewal	Edenvale	18	700,000	-	-
Roads and Stormwater	Rehabilitation of Roads (North)Terrace Avenue (Sebenza)	Upgrading and Renewal	Edenvale	18	700,000	-	-

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Department	Project Name	Capitalisation Investment Framework Category	CCA	Ward/s in which project is located	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
Roads and Stormwater	Rehabilitation of Roads (North) St Matthews (Hurly Vale)	Upgrading and Renewal	Edenvale	18	700,000	-	-
Roads and Stormwater	Rehabilitation of Roads (North)Voortrekker Avenue	Upgrading and Renewal	Edenvale	19	600,000	-	-
Roads and Stormwater	Rehabilitation of Roads (North)Francis Avenue (Dunvegan)	Upgrading and Renewal	Edenvale	19	600,000	-	-
Roads and Stormwater	Rehabilitation of Roads (North)St Ann	Upgrading and Renewal	Edenvale	18	1,000,000	-	-
Roads and Stormwater	Rehabilitation of Roads (North)Kloof Road (Bedfordview)	Upgrading and Renewal	Germiston	20	700,000	-	-
Roads and Stormwater	Rehabilitation of Roads (North)Hawley Road (Bedfordview)	Upgrading and Renewal	Germiston	20	1,000,000	-	-
Roads and Stormwater	Rehabilitation of Roads (North)Upgrade Paul Smit Boksburg north	Upgrading and Renewal	Boksburg	22	1,000,000	-	-
Roads and Stormwater	Rehabilitation of Roads (North)Upgrade 14th and 15th Boksburh North	Upgrading and Renewal	Boksburg	22	1,000,000	-	-
Roads and Stormwater	Rehabilitation of Roads (North)Bartlett Road Ravenswood	Upgrading and Renewal	Boksburg	22	1,000,000	-	-
Roads and Stormwater	Rehabilitation of Roads (North)Atlas North	Upgrading and Renewal	Boksburg	22	1,000,000	-	-
Roads and Stormwater	Rehabilitation of Roads (North)12. Brentwood Park Road	Upgrading and Renewal	Boksburg	23	1,000,000	-	-
Roads and Stormwater	Rehabilitation of Roads (North)35. Mimosa Road (Birchleigh)	Upgrading and Renewal	Boksburg	23	700,000	-	-
Roads and Stormwater	Rehabilitation of Roads (North)Spanner Olifantsfontein	Upgrading and Renewal	Tembisa 2	89	500,000	-	-

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Department	Project Name	Capitalisation Investment Framework Category	CCA	Ward/s in which project is located	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
Roads and Stormwater	Rehabilitation of Roads (North)Axcel street from Industrial road to the corner near Thermopwer.overlay .OLIFANTSFONTEIN	Upgrading and Renewal	Tembisa 2	89	1,000,000	-	-
Roads and Stormwater	Rehabilitation of Roads (North)13. Rondebult Road = R 626 998.30	Upgrading and Renewal	Germiston	92	500,000	-	-
Roads and Stormwater	Rehabilitation of Roads (North)Kruin Road (Klopper Park)	Upgrading and Renewal	Germiston	92	500,000	-	-
Roads and Stormwater	Rehabilitation of Roads (North)31. Herman Road (Meadowdale)	Upgrading and Renewal	Germiston	92	600,000	-	-
Roads and Stormwater	Rehabilitation of Roads (North)10. Ian Close	Upgrading and Renewal	Germiston	92	500,000	-	-
Roads and Stormwater	Rehabilitation of Roads (North)Rehabilitation of Clayville Bridge	Upgrading and Renewal	Tembisa 2	1	500,000	-	-
Roads and Stormwater	Rehabilitation of Roads (North)Sam Molele Dr from George Nyanga street to Sheba street=Mill and Inlay,both lanes.ILIDINGA	Upgrading and Renewal	Tembisa 1	6	900,000	-	-
Roads and Stormwater	Rehabilitation of Roads (North)Ngomane street from Khumalo street until Pick n Pay,both lanes mill and inlay.ENDULWINI	Upgrading and Renewal	Tembisa 1	6	300,000	-	-
Roads and Stormwater	Rehabilitation of Roads (North)Duffton Road (Aston Manor)	Upgrading and Renewal	Kempton Park	15	1,000,000	-	-
Roads and Stormwater	Rehabilitation of Roads (North)38. Spencer Road (Spartan Extension)	Upgrading and Renewal	Germiston	17	800,000	-	-
Roads and Stormwater	Rehabilitation of Roads (North)Ingwe Road (Sebenza)	Upgrading and Renewal	Edenvale	18	700,000	-	-

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Department	Project Name	Capitalisation Investment Framework Category	CCA	Ward/s in which project is located	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
Roads and Stormwater	Rehabilitation of Roads (North)South Road (Hurly Vale)	Upgrading and Renewal	Edenvale	18	600,000	-	-
Roads and Stormwater	Rehabilitation of Roads (North)Venda Road (Sebenza)	Upgrading and Renewal	Edenvale	18	1,000,000	-	-
Roads and Stormwater	Rehabilitation of Roads (North)Edenvale Road	Upgrading and Renewal	Edenvale	19	1,000,000	-	-
Roads and Stormwater	Rehabilitation of Roads (North)Lily Road (Dunvegan)	Upgrading and Renewal	Edenvale	19	800,000	-	-
Roads and Stormwater	Rehabilitation of Roads (North)Elray Road (Dunvegan)	Upgrading and Renewal	Edenvale	19	1,000,000	-	-
Roads and Stormwater	Rehabilitation of Roads (North)St Dominique (Edenvale Central)	Upgrading and Renewal	Edenvale	19	960,000	-	-
Roads and Stormwater	Rehabilitation of Roads (North)Upgrade Griesel Road Beyers park	Upgrading and Renewal	Boksburg	22	1,000,000	-	-
Roads and Stormwater	Rehabilitation of Roads (North)10th Ravenswood	Upgrading and Renewal	Boksburg	22	500,000	-	-
Roads and Stormwater	Rehabilitation of Roads (North)Atlas South	Upgrading and Renewal	Boksburg	22	500,000	-	-
Roads and Stormwater	Rehabilitation of Roads (North)Olifantsfontein in Industrial Areas various intersections	Upgrading and Renewal	Tembisa 2	89	500,000	-	-
Roads and Stormwater	Rehabilitation of Roads (North)Industrial road from Axcel street to Olifantsfontein road,overlay both lanes.OLIFANTSFONT EIN	Upgrading and Renewal	Tembisa 2	89	500,000	-	-
Roads and Stormwater	Rehabilitation of Roads (North)32. Ag De Witt (Sunny Rock)	Upgrading and Renewal	Germiston	92	500,000	-	-
Roads and Stormwater	Rehabilitation of Roads (North)Mimosa Road (Pomona)	Upgrading and Renewal	Kempton Park	23, 100	500,000	-	-

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Department	Project Name	Capitalisation Investment Framework Category	CCA	Ward/s in which project is located	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
Roads and Stormwater	Rehabilitation of Roads (North)48.Joseph Nonoane street from Peter Nchabeleng street to Solomon Mahlangu street=Mill and Inlay,both lanes.WINNIE MANDELA	Upgrading and Renewal	Tembisa 2	2	500,000	-	-
Roads and Stormwater	Rehabilitation of Roads (North)Elgin Road upgrade between Pretoria and Southpansberg Road	Upgrading and Renewal	Kempton Park	15	500,000	-	-
Roads and Stormwater	Rehabilitation of roads: South	Upgrading and Renewal	Corporate	Multi Wards	-	30,000,000	30,000,000
Roads and Stormwater	Rehabilitation of roads: SouthAccording to PMS Currently under review.	Upgrading and Renewal	Corporate	Multi Wards	37,500,000	-	-
Roads and Stormwater	Rehabilitation of roads: SouthResurfacing of Refinery between power street and Railway Bridge in consultation with the councillor	Upgrading and Renewal	Corporate	Multi Wards	2,000,000	-	-
Roads and Stormwater	Rehabilitation of roads: SouthFixing of Pedestrian bridge over Swartkoppies between Vermooten & Hennie Albeas road	Upgrading and Renewal	Corporate	Multi Wards	500,000	-	-
Roads and Stormwater	Rehabilitation of roads: SouthRe-surfacing of Roads in Freeway Park	Upgrading and Renewal	Corporate	Multi Wards	3,000,000	-	-
Roads and Stormwater	Rehabilitation of roads: SouthCompletion and Rehabilitation from Mabona street to Tshabalale Street	Upgrading and Renewal	Corporate	Multi Wards	2,000,000	-	-
Roads and Stormwater	Replacement of Traffic Signals with LED Heads: East	Upgrading and Renewal	Corporate	Multi Wards	500,000	500,000	500,000

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Department	Project Name	Capitalisation Investment Framework Category	CCA	Ward/s in which project is located	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
Roads and Stormwater	Roads East (AS and When)	Upgrading and Renewal	Corporate	Multi Wards	-	25,000,000	25,000,000
Roads and Stormwater	Roads East (AS and When)Tshabalala Street completion	Upgrading and Renewal	Etwatwa	65	300,000	-	-
Roads and Stormwater	Roads East (AS and When)Skhumbane Bridge completion	Upgrading and Renewal	Kwa Thema	81	200,000	-	-
Roads and Stormwater	Roads East (AS and When)Manamela Street completion	Upgrading and Renewal	Kwa Thema	77	200,000	-	-
Roads and Stormwater	Roads East (AS and When)Dubase Street completion	Upgrading and Renewal	Daveyton	68	200,000	-	-
Roads and Stormwater	Roads East (AS and When)Matiwane Street completion	Upgrading and Renewal	Daveyton	68	200,000	-	-
Roads and Stormwater	Roads East (AS and When)24th Street completion	Upgrading and Renewal	Etwatwa	66	200,000	-	-
Roads and Stormwater	Roads East (AS and When)Mashile Street completion	Upgrading and Renewal	Etwatwa	67	200,000	-	-
Roads and Stormwater	Roads East (AS and When)Luande/Prague/Bogota Ave completion	Upgrading and Renewal	Brakpan	74	300,000	-	-
Roads and Stormwater	Roads East (AS and When)Chiloane Street completion	Upgrading and Renewal	Kwa Thema	77	200,000	-	-
Roads and Stormwater	Roads East (AS and When)Rapodile Street completion	Upgrading and Renewal	Kwa Thema	78	200,000	-	-
Roads and Stormwater	Roads East (AS and When)Falcon street completion	Upgrading and Renewal	Tsakane	99	300,000	-	-
Roads and Stormwater	Roads East (AS and When)Tame Street And Stormwater completion	Upgrading and Renewal	Benoni	30	200,000	-	-
Roads and Stormwater	Roads East (AS and When)Tame Street Paving Access Road1-7 completion	Upgrading and Renewal	Benoni	30	200,000	-	-
Roads and Stormwater	Roads East (AS and When)Thobela Street completion	Upgrading and Renewal	Etwatwa	25	200,000	-	-
Roads and Stormwater	Roads East (AS and When)Floors Street and Mike Street	Upgrading and Renewal	Tsakane	99	1,300,000	-	-

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Department	Project Name	Capitalisation Investment Framework Category	CCA	Ward/s in which project is located	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
Roads and Stormwater	Roads East (AS and When)12th Street (Etwatwa West) and 8th Street (Ext 4)	Upgrading and Renewal	Etwatwa	67	4,000,000	-	-
Roads and Stormwater	Roads East (AS and When)Tarring of Bathurist Lane	Upgrading and Renewal	Brakpan	74	2,500,000	-	-
Roads and Stormwater	Roads East (AS and When)Robin Island at Ext 8 – Ward 79, Madunani 425 Area, access road at the New Houses next to Pick n' Pay, Makuadzana, Chris Hanie, Ndawo, Tshabalala, Msia Sobukwe	Upgrading and Renewal	Kwa Thema	79	300,000	-	-
Roads and Stormwater	Roads East (AS and When)Vlakfontein road, Khazimula Street (Ext 6), Mhlongo Street (12B), Mfazazane street (Ext 4)	Upgrading and Renewal	Kwa Thema	81	300,000	-	-
Roads and Stormwater	Roads East (AS and When)Roads & storm-water Cornwell Phase 4	Upgrading and Renewal	Tsakane	82	3,000,000	-	-
Roads and Stormwater	Roads East (AS and When)Bakoena street and Maseko Street	Upgrading and Renewal	Tsakane	83	2,000,000	-	-
Roads and Stormwater	Roads East (AS and When)Gogo road and other roads (Approximately 5.5 kilometers of gravel road)	Upgrading and Renewal	Duduza	84	3,000,000	-	-
Roads and Stormwater	Roads East (AS and When)Mthunzi Avenue, Njelele, Mothibe, Malaza, Kotavushika & Vulindlela	Upgrading and Renewal	Tsakane	85	3,000,000	-	-

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Roads and Stormwater	Roads East (AS and When)12th Street (Etwatwa West) and 8th Street (Ext 4)	Upgrading and Renewal	Etwatwa	67	4,000,000	-	-
Roads and Stormwater	Roads East (AS and When)Tarring of Bathurst Lane	Upgrading and Renewal	Brakpan	74	2,500,000	-	-
Roads and Stormwater	Roads East (AS and When)Ribbok and Protea	Upgrading and Renewal	Nigel	88	2,500,000	-	-
Roads and Stormwater	Roads on Dolomite	Upgrading and Renewal	Corporate	Multi Wards	-	10,000,000	10,000,000
Roads and Stormwater	Roads on Dolomite Boikhutso street	Upgrading and Renewal	Alberton	39	1,100,000	-	-
Roads and Stormwater	Roads on Dolomite Nectarine Street	Upgrading and Renewal	Alberton	39	1,900,000	-	-
Roads and Stormwater	Roads on Dolomite Mulberry and Cottonester	Upgrading and Renewal	Vosloorus	95	2,000,000	-	-
Roads and Stormwater	Roads on Dolomite Odeke Street and Elbe street in 2015/16 Outer Years: Emphefulo, Empangeni, Mbali, Mgogo, Umsebenzi, Asparagusi,	Upgrading and Renewal	Katlehong 2	101	5,000,000	-	-
Roads and Stormwater	Rover St Widening in Henville (Future)	Upgrading and Renewal	Germiston	92	-	-	400,000
Roads and Stormwater	Sandpan Areas Stormwater Outfall	Upgrading and Renewal	Benoni	27	5,000,000	2,000,000	200,000
Roads and Stormwater	Sonneveld Stormwater Upgrading	Upgrading and Renewal	Boksburg	32	1,000,000	-	-
Roads and Stormwater	Soutpansberg Drive Intersect Upgrading	Upgrading and Renewal	Kempton Park	16	-	-	300,000
Roads and Stormwater	Specialised Equipment	Upgrading and Renewal	Operational Equipment	Operational Equipment	2,800,000	3,000,000	3,000,000
Roads and Stormwater	Stormwater (AS and When) East	Urban Restructuring	Corporate	Multi Wards	-	25,000,000	25,000,000
Roads and Stormwater	Stormwater (AS and When) EastStormwater at Evens , Western and Renny Streets	Urban Restructuring	Benoni	24	200,000	-	-

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Department	Project Name	Capitalisation Investment Framework Category	CCA	Ward/s in which project is located	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
Roads and Stormwater	Stormwater (AS and When) EastStorm-water next to Vezikhono Secondary: Planning	Urban Restructuring	Etwatwa	26	100,000	-	-
Roads and Stormwater	Stormwater (AS and When) EastStormwater drainage design for Dube street	Urban Restructuring	Benoni	30	1,500,000	-	-
Roads and Stormwater	Stormwater (AS and When) EastStorm water: Chris Hani Drive Ext 10	Urban Restructuring	Etwatwa	65	300,000	-	-
Roads and Stormwater	Stormwater (AS and When) EastKheshwa Stormwater and drainage of Bhengu Street recreational centre, Lerutle Primary School	Urban Restructuring	Daveyton	69	200,000	-	-
Roads and Stormwater	Stormwater (AS and When) EastConstruction of bridge at Pikoko street, Kingsway	Urban Restructuring	Benoni	73	1,500,000	-	-
Roads and Stormwater	Stormwater (AS and When) EastDrain stormwater at Mohlala street	Urban Restructuring	Brakpan	74	100,000	-	-
Roads and Stormwater	Stormwater (AS and When) EastDrain stormwater at Mashila/Rietvlei Ottawa Street	Urban Restructuring	Brakpan	74	100,000	-	-
Roads and Stormwater	Stormwater (AS and When) EastNew Storm-water: Thubelisha Extension 8 Rockville Thakado, and Modjadji Street	Urban Restructuring	Tsakane	85	200,000	-	-
Roads and Stormwater	Stormwater (AS and When) EastStorm-water reticulation in all of ward 99. Storm-water drainage (James Strachan Street between house no. 1260 and 1266.	Urban Restructuring	Tsakane	99	200,000	-	-

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Roads and Stormwater	Stormwater (AS and When) East1. Satynhout Avenue (350m length)To use the as and when Consultants and contractors for designs and implementation	Urban Restructuring	Brakpan	97	1,575,000	-	-
Roads and Stormwater	Stormwater (AS and When) EastImplementation of phased remedial works as identified in the Stormwater Management Plans of Etwatwa, Daveyton, Actonville and Wattville. Etwatwa: Completion of phase 2, and start of implementation of phase 3; Daveyton: Start implementation of the remedial works on the High Damage Risk Potential Areas ; Actonville: Start with implementation of Flood Control Remedial Measures ; Wattville : Start with implementation of Flood Control	Urban Restructuring	Corporate	Multi Wards	19,025,000	-	-
Roads and Stormwater	Stormwater improvements (Minor) (North)	Upgrading and Renewal	Corporate	Multi Wards	-	5,500,000	5,000,000
Roads and Stormwater	Stormwater improvements (Minor) (North) Stormwater in Mampuru	Upgrading and Renewal	Tembisa 1	6	800,000	-	-
Roads and Stormwater	Stormwater improvements (Minor) (North) Tembisa clinic opp civic	Upgrading and Renewal	Tembisa 1	6	100,000	-	-

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Department	Project Name	Capitalisation Investment Framework Category	CCA	Ward/s in which project is located	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
Roads and Stormwater	Stormwater improvements (Minor) (North) SW in Temong Tlamatlama Sections	Upgrading and Renewal	Tembisa 2	7	300,000	-	-
Roads and Stormwater	Stormwater improvements (Minor) (North) SW in Illiba, Emoyeni and Emangweni area	Upgrading and Renewal	Tembisa 1	8	300,000	-	-
Roads and Stormwater	Stormwater improvements (Minor) (North) SW in Motsu area	Upgrading and Renewal	Tembisa 1	9	400,000	-	-
Roads and Stormwater	Stormwater improvements (Minor) (North) Subsoil Lawrence Phokanoka	Upgrading and Renewal	Edenvale	11	800,000	-	-
Roads and Stormwater	Stormwater improvements (Minor) (North) Stormwater pipe/drain Esiqongweni section Archie Gumede street	Upgrading and Renewal	Edenvale	11	800,000	-	-
Roads and Stormwater	Stormwater improvements (Minor) (North) Pikkewyn Subsurface	Upgrading and Renewal	Kempton Park	13	600,000	-	-
Roads and Stormwater	Stormwater improvements (Minor) (North) Fencing Birch Acres Ext 44 Attenuation dam. Clear View.	Upgrading and Renewal	Kempton Park	91	1,000,000	-	-
Roads and Stormwater	Stormwater improvements (Minor) (North) Khusche Street Subsurface	Upgrading and Renewal	Germiston	92	400,000	-	-
Roads and Stormwater	Stormwater Upgrades (South)	Upgrading and Renewal	Corporate	Multi Wards	-	5,000,000	5,000,000

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Department	Project Name	Capitalisation Investment Framework Category	CCA	Ward/s in which project is located	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
Roads and Stormwater	Stormwater Upgrades (South)Trichard Street (Cason), Hospital & Railway Street (Plantation) at Railway Subway (CBD) & Albu, Konig Koenage Street between Boksburg High School & CBC School and storm-water problem in Albu Street between Boksburg High School and CBC School: Planning	Upgrading and Renewal	Boksburg	32	200,000	-	-
Roads and Stormwater	Stormwater Upgrades (South)Construction of Storm water drains at Kusasa, Lithemba and Luvuyo streets at Roodekop Ext 21	Upgrading and Renewal	Germiston	41	900,000	-	-
Roads and Stormwater	Stormwater Upgrades (South)Construction of storm water drainage at Mokgampanyane & Bloom streets	Upgrading and Renewal	Katlehong 1	48	2,850,000	-	-
Roads and Stormwater	Stormwater Upgrades (South)Stormwater erection at Mnyane 399 and at corner Ndlovu and Ville: Planning	Upgrading and Renewal	Thokoza	54	150,000	-	-
Roads and Stormwater	Stormwater Upgrades (South)Stormwater erection at Mnyane 399 and at corner Ndlovu and Ville: implementation	Upgrading and Renewal	Thokoza	54	150,000	-	-

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Roads and Stormwater	Stormwater Upgrades (South)Tobatse – Tshele & Maphale Streets – Construction of storm-water drainage. Planning	Upgrading and Renewal	Thokoza	56	150,000	-	-
Roads and Stormwater	Stormwater Upgrades (South)Nkaki & Mokoena Street storm-water drainage to be upgrading. Planning	Upgrading and Renewal	Thokoza	56	150,000	-	-
Roads and Stormwater	Stormwater Upgrades (South)Storm water between Mpye and Maronyane to be constructed. Planning	Upgrading and Renewal	Thokoza	56	150,000	-	-
Roads and Stormwater	Stormwater Upgrades (South)Storm water between Mahano and Moepshe to be upgraded. Planning	Upgrading and Renewal	Thokoza	56	150,000	-	-
Roads and Stormwater	Stormwater Upgrades (South)Raceview Stormwater upgrade	Upgrading and Renewal	Vosloorus	64	1,000,000	-	-
Roads and Stormwater	Stormwater Upgrades (South)Storm water drainages at Mapleton Ext 10 12, (entire ward)	Upgrading and Renewal	Etwatwa	65	150,000	-	-
Roads and Stormwater	Stormwater Upgrades: North	Upgrading and Renewal	Corporate	Multi Wards	-	20,000,000	20,000,000
Roads and Stormwater	Stormwater Upgrades: NorthStormwater System Nyari and Izimbongo Street	Upgrading and Renewal	Tembisa 2	4	750,000	-	-
Roads and Stormwater	Stormwater Upgrades: NorthPedestrian bridge at Extension 07 and Speed humps from Corner Kanyama to Kangaroo Street	Upgrading and Renewal	Tembisa 2	5	300,000	-	-

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Roads and Stormwater	Stormwater Upgrades: NorthEmkhatini Clinic	Upgrading and Renewal	Tembisa 1	6	150,000	-	-
Roads and Stormwater	Stormwater Upgrades: NorthBrava Street Teanong SW	Upgrading and Renewal	Tembisa 1	9	1,000,000	-	-
Roads and Stormwater	Stormwater Upgrades: NorthMoses Kotane	Upgrading and Renewal	Tembisa 2	89	1,000,000	-	-
Roads and Stormwater	Stormwater Upgrades: NorthCovering of Channel along Inauguration: Planning	Upgrading and Renewal	Edenvale	12	500,000	-	-
Roads and Stormwater	Stormwater Upgrades: NorthNorkem Park Pan	Upgrading and Renewal	Kempton Park	13	2,000,000	-	-
Roads and Stormwater	Stormwater Upgrades: NorthAbel Street sub soil	Upgrading and Renewal	Kempton Park	13	1,000,000	-	-
Roads and Stormwater	Stormwater Upgrades: NorthNuwejaarsvoel SW	Upgrading and Renewal	Kempton Park	13	500,000	-	-
Roads and Stormwater	Stormwater Upgrades: NorthBlue Gill Dam.	Upgrading and Renewal	Kempton Park	15	2,000,000	-	-
Roads and Stormwater	Stormwater Upgrades: North22. De Villiers Culvert: Planning	Upgrading and Renewal	Kempton Park	16	200,000	-	-
Roads and Stormwater	Stormwater Upgrades: NorthSW along Plantation: Planning	Upgrading and Renewal	Edenvale	19	200,000	-	-
Roads and Stormwater	Stormwater Upgrades: NorthSW along De Havilland (ACSA): Planning	Upgrading and Renewal	Boksburg	23	300,000	-	-
Roads and Stormwater	Stormwater Upgrades: NorthDunvegan, 5th and 6th Avenue. (R 313 280.57)	Upgrading and Renewal	Edenvale	19	300,000	-	-

EKURHULENI METROPOLITAN MUNICIPALITY – FINAL BUDGET 2015/16 TO 2017/18

Department	Project Name	Capitalisation Investment Framework Category	CCA	Ward/s in which project is located	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
Roads and Stormwater	Stormwater Upgrades: NorthSW along Bonaero drive and Bonaero Park: Planning	Upgrading and Renewal	Boksburg	23	300,000	-	-
Roads and Stormwater	Stormwater Upgrades: NorthOlifantsfontein Channel Spar Spanner	Upgrading and Renewal	Tembisa 2	89	2,000,000	-	-
Roads and Stormwater	Stormwater Upgrades: NorthPhumlani Mall: completion	Upgrading and Renewal	Tembisa 2	89	1,000,000	-	-
Roads and Stormwater	Stormwater Upgrades: NorthVusimuzi Mooifontein Cemetery completion	Upgrading and Renewal	Tembisa 1	90	1,000,000	-	-
Roads and Stormwater	Stormwater Upgrades: North3. Meadowbrook Channel (Wilbart)	Upgrading and Renewal	Germiston	92	1,000,000	-	-
Roads and Stormwater	Stormwater Upgrades: North11. Herman Street (Kia): Completion	Upgrading and Renewal	Germiston	92	1,000,000	-	-
Roads and Stormwater	Stormwater Upgrades: NorthSedibeng / Kopanong SW Network	Upgrading and Renewal	Tembisa 1	5	1,000,000	-	-
Roads and Stormwater	Stormwater Upgrades: NorthNkwane Nkruma	Upgrading and Renewal	Edenvale	11	1,000,000	-	-
Roads and Stormwater	Stormwater Upgrades: North15. Upgrade of Brabazon	Upgrading and Renewal	Kempton Park	17	1,200,000	-	-
Roads and Stormwater	Stormwater Upgrades: NorthCovering of Channel along Tembisa ext 7: Planning	Upgrading and Renewal	Tembisa 2	4	300,000	-	-
Roads and Stormwater	Stormwater Upgrading Thintwa	Upgrading and Renewal	Thokoza	56	19,000,000	-	-
Roads and Stormwater	SW in Vosloorus	Urban Restructuring	Vosloorus	44, 45, 46, 47, 64, 95	2,300,000	4,000,000	4,000,000

EKURHULENI METROPOLITAN MUNICIPALITY – FINAL BUDGET 2015/16 TO 2017/18

Department	Project Name	Capitalisation Investment Framework Category	CCA	Ward/s in which project is located	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
Roads and Stormwater	Swartsspruit Rehabilitation: Kempton Park	Upgrading and Renewal	Kempton Park	16,17	2,000,000	2,000,000	2,000,000
Roads and Stormwater	Tembisa Depot Upgrading	Upgrading and Renewal	Tembisa 1	14	10,000,000	5,000,000	-
Roads and Stormwater	Tembisa Natural Watercourses upgrading	Upgrading and Renewal	Tembisa 1	10	1,500,000	6,000,000	6,000,000
Roads and Stormwater	Tertiary Rds South Dept Construction	Upgrading and Renewal	Katlehong 2	59	4,000,000	-	-
Roads and Stormwater	Tertiary Roads (South)	Urban Restructuring	Corporate	Multi Wards	-	15,000,000	15,000,000
Roads and Stormwater	Tertiary Roads (South)2015/16: Kingwazi - Dukathole, Mfolozi, Siroye 2016/17: Moloti, Tongazi, Mwuzi, Sitate	Urban Restructuring	Germiston	35	3,500,000	-	-
Roads and Stormwater	Tertiary Roads (South)Mfundo Street and completion of Funda Street – Rounderbutt Ext 2	Urban Restructuring	Germiston	41	1,200,000	-	-
Roads and Stormwater	Tertiary Roads (South)Inkongolo, Thupello and Ekuphumleni streets - Roodekop Ext 22	Urban Restructuring	Germiston	41	1,500,000	-	-
Roads and Stormwater	Tertiary Roads (South)2015/2016 Unoekre - Ramaphoza, Lsemene street, Loyinya street	Urban Restructuring	Boksburg	42	3,000,000	-	-
Roads and Stormwater	Tertiary Roads (South)Dube street, Tutong service road, Iququ street, and Cul-De-Sac's in Monise section, Mopholi street	Urban Restructuring	Katlehong 1	55	5,400,000	-	-

EKURHULENI METROPOLITAN MUNICIPALITY – FINAL BUDGET 2015/16 TO 2017/18

Department	Project Name	Capitalisation Investment Framework Category	CCA	Ward/s in which project is located	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
Roads and Stormwater	Swartsspruit Rehabilitation: Kempton Park	Upgrading and Renewal	Kempton Park	16,17	2,000,000	2,000,000	2,000,000
Roads and Stormwater	Tertiary Roads (South) 2.5 kilometres coming from the following list: Nobakhethwa, Tsie, Malefetsane, Lerumo, School street, Pherekgong, Banzana, Tau, Shona, Hlakula, Masoko, Mmesa, Lwetse, Phato, Street next to 8090, Thobisi, Vikin, Sonyboy, Lamoan, Seretse, Gambia, Zambia, Comoros, Zanzibar, Seychelles, Malawi, Sudan, Egypt, Togo, Phundungwane, Hlakubele, Tsholofelo, Tshitwe, Mphelane, Ntaka, Thahameso, Kgatleng, Langa, Seho, Pudumo, Silumko, Matsitela,	Urban Restructuring	Katlehong 2	63	1,400,000	-	-
Roads and Stormwater	Tertiary Roads in Katlehong, Buhle Park & Zonkizizwe Ext 1	Urban Restructuring	Katlehong 1	40,62	6,000,000	10,000,000	8,000,000
Roads and Stormwater	Tertiary Roads in Thokoza- Phase 3	Urban Restructuring	Thokoza	52, 54, 56, 57, 58	3,500,000	-	-
Roads and Stormwater	Tertiary Roads in Vosloorus- Phase 3	Urban Restructuring	Vosloorus	44, 45, 46, 47, 64, 95	3,600,000	-	-
Roads and Stormwater	Tertiary Roads: North	Urban Restructuring	Tembisa 1	1,2,4,5,6,7,12,89	20,000,000	15,000,000	10,000,000
Roads and Stormwater	Township Develop:Ext Services (North)	Upgrading and Renewal	Kempton Park	Multi Wards	3,000,000	6,000,000	5,000,000
Roads and Stormwater	Township Develop:Ext Services ex Contributions	Economic Development	Corporate	Multi Wards	1,500,000	1,000,000	1,000,000
Roads and Stormwater	Traffic Calming (North)	Upgrading and Renewal	Corporate	Multi Wards	-	800,000	800,000

EKURHULENI METROPOLITAN MUNICIPALITY – FINAL BUDGET 2015/16 TO 2017/18

Department	Project Name	Capitalisation Investment Framework Category	CCA	Ward/s in which project is located	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
Roads and Stormwater	Traffic Calming (North)Various Streets, Tswelopele Extension 8	Upgrading and Renewal	Tembisa 2	1	30,000	-	-
Roads and Stormwater	Traffic Calming (North)Lombady Road, Clayville Extension 29	Upgrading and Renewal	Tembisa 2	1	30,000	-	-
Roads and Stormwater	Traffic Calming (North)Bismuth Street, Clayville Extension 26	Upgrading and Renewal	Tembisa 2	1	30,000	-	-
Roads and Stormwater	Traffic Calming (North)Arsenic Street, Clayville Extension 26	Upgrading and Renewal	Tembisa 2	1	30,000	-	-
Roads and Stormwater	Traffic Calming (North)Ext 24, Winnie Mandela	Upgrading and Renewal	Tembisa 2	3	30,000	-	-
Roads and Stormwater	Traffic Calming (North)Lynx Street, Tembisa	Upgrading and Renewal	Tembisa 2	5	30,000	-	-
Roads and Stormwater	Traffic Calming (North)Nkanyamba Street, Ecaleni Section	Upgrading and Renewal	Tembisa 2	5	30,000	-	-
Roads and Stormwater	Traffic Calming (North)Mdlambhila Street, Ecaleni Section	Upgrading and Renewal	Tembisa 2	5	30,000	-	-
Roads and Stormwater	Traffic Calming (North)Isekelo School, Isekelo Section	Upgrading and Renewal	Tembisa 1	6	30,000	-	-
Roads and Stormwater	Traffic Calming (North)Letsiakarana Street, Tsenelong Extension 5	Upgrading and Renewal	Tembisa 2	7	30,000	-	-
Roads and Stormwater	Traffic Calming (North)Pilansberg Street, Maokeng Section	Upgrading and Renewal	Tembisa 2	7	30,000	-	-
Roads and Stormwater	Traffic Calming (North)Baduza Street, Emangweni Section	Upgrading and Renewal	Tembisa 1	8	30,000	-	-
Roads and Stormwater	Traffic Calming (North)Emmanuel Mbetje Street, Thiteng Section	Upgrading and Renewal	Tembisa 1	10	15,000	-	-

EKURHULENI METROPOLITAN MUNICIPALITY – FINAL BUDGET 2015/16 TO 2017/18

Department	Project Name	Capitalisation Investment Framework Category	CCA	Ward/s in which project is located	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
Roads and Stormwater	Traffic Calming (North)James Moyela Street, Tembisa West	Upgrading and Renewal	Edenvale	11	30,000	-	-
Roads and Stormwater	Traffic Calming (North)Try Again Street, Phomolong Section	Upgrading and Renewal	Edenvale	12	30,000	-	-
Roads and Stormwater	Traffic Calming (North)Banana Street, Commercia Extension 9	Upgrading and Renewal	Edenvale	12	15,000	-	-
Roads and Stormwater	Traffic Calming (North)Ysterhout Street, Birchleigh	Upgrading and Renewal	Kempton Park	13	30,000	-	-
Roads and Stormwater	Traffic Calming (North)Maduna Avenue, Phomolong Section	Upgrading and Renewal	Kempton Park	13	15,000	-	-
Roads and Stormwater	Traffic Calming (North)Blombos Street, Birch Acres Extension 6	Upgrading and Renewal	Kempton Park	13	15,000	-	-
Roads and Stormwater	Traffic Calming (North)Mtimkhulu Street / Maduna Avenue, Phomolong	Upgrading and Renewal	Kempton Park	13	25,000	-	-
Roads and Stormwater	Traffic Calming (North)Isiziba Street, Isiziba Section	Upgrading and Renewal	Tembisa 1	14	30,000	-	-
Roads and Stormwater	Traffic Calming (North)Conakry Street, Isiphethweni Section	Upgrading and Renewal	Tembisa 1	14	15,000	-	-
Roads and Stormwater	Traffic Calming (North)Quinine Street / Wonderboom Street, Glen Marais Extension 2	Upgrading and Renewal	Kempton Park	15	25,000	-	-
Roads and Stormwater	Traffic Calming (North)Kempton Primary School, Kempton Park	Upgrading and Renewal	Kempton Park	16	30,000	-	-
Roads and Stormwater	Traffic Calming (North)Amatungulu Street, Esther Park	Upgrading and Renewal	Kempton Park	17	15,000	-	-
Roads and Stormwater	Traffic Calming (North)Van Ryneveld Road, Hurleyvale	Upgrading and Renewal	Edenvale	18	30,000	-	-

EKURHULENI METROPOLITAN MUNICIPALITY – FINAL BUDGET 2015/16 TO 2017/18

Department	Project Name	Capitalisation Investment Framework Category	CCA	Ward/s in which project is located	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
Roads and Stormwater	Traffic Calming (North)Second Avenue, Edendale	Upgrading and Renewal	Edenvale	18	15,000	-	-
Roads and Stormwater	Traffic Calming (North)St Mathews Road / St Peter Road, Hurlyvale	Upgrading and Renewal	Edenvale	18	25,000	-	-
Roads and Stormwater	Traffic Calming (North)Lilian Street, Berton Park	Upgrading and Renewal	Germiston	33	30,000	-	-
Roads and Stormwater	Traffic Calming (North)Nairobi Street, Vusimuzi/Ehlanzeni	Upgrading and Renewal	Tembisa 1	90	15,000	-	-
Roads and Stormwater	Traffic Calming (North)Strydom Street / Yvette Street, Birchleigh North	Upgrading and Renewal	Kempton Park	91	20,000	-	-
Roads and Stormwater	Traffic Calming (North)Matole Camp Street, Hospital View (Gardens)	Upgrading and Renewal	Kempton Park	100	15,000	-	-
Roads and Stormwater	Traffic Calming in the Eastern Region	Upgrading and Renewal	Corporate	Multi Wards	-	800,000	800,000
Roads and Stormwater	Traffic Calming South	Upgrading and Renewal	Corporate	Multi Wards	1,000,000	1,000,000	1,000,000
Roads and Stormwater	Traffic Signal SARTSM Compliance	Upgrading and Renewal	Corporate	Multi Wards	-	500,000	500,000
Roads and Stormwater	Traffic Signal Upgrades: East	Upgrading and Renewal	Corporate	Multi Wards	2,500,000	1,000,000	1,000,000
Roads and Stormwater	Traffic Signal Upgrades: South	Upgrading and Renewal	Corporate	Multi Wards	5,500,000	5,500,000	5,500,000
Roads and Stormwater	Traffic Signals Upgrading (North)	Upgrading and Renewal	Tembisa 2	Multi Wards	3,000,000	3,000,000	3,000,000
Roads and Stormwater	Trichardt's Rd from North Rand to Impala Park	Upgrading and Renewal	Germiston	92	1,000,000	6,000,000	2,000,000
Roads and Stormwater	Tunney Rds: Brollo & Brickfields rds	Upgrading and Renewal	Germiston	92	5,000,000	6,000,000	2,000,000
Roads and Stormwater	Upgrade Joe Mzamane Road Kwa-Thema	Upgrading and Renewal	Kwa Thema	77, 80	10,000,000	-	-
Roads and Stormwater	Upgrade of Roads Depots: East	Upgrading and Renewal	Corporate	73,74,75,88	-	500,000	2,000,000
Roads and Stormwater	Upgrading of Agric Holding Roads	Upgrading and Renewal	Kempton Park	100	4,000,000	4,000,000	4,000,000
Roads and Stormwater	Upgrading of Michelle street	Upgrading and Renewal	Alberton	38	-	5,000,000	-

Department	Project Name	Capitalisation Investment Framework Category	CCA	Ward/s in which project is located	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
Roads and Stormwater	Vehicles	Upgrading and Renewal	Operational Equipment	Operational Equipment	19,000,000	19,000,000	19,000,000
Roads and Stormwater	Vosloorus New Depot	Urban Restructuring	Vosloorus	95	6,000,000	-	-
Roads and Stormwater	Vredebos Stormwater Drainage	Upgrading and Renewal	Brakpan	31	-	500,000	4,000,000
Roads and Stormwater	Witfield SW System	Upgrading and Renewal	Germiston	33	4,000,000	3,000,000	2,000,000
Roads and Stormwater	Etwatwa Stormwater	Urban Restructuring	Etwatwa	25,26,65,66,67	5,000,000	-	-
Roads and Stormwater	Install SW in Palm Ridge	Urban Restructuring	Katlehong 2	61,101,58	4,000,000	2,500,000	2,000,000
Roads and Stormwater	Katlehong & Thokoza, Lining of Canal between Katlehong and Thokoza	Urban Restructuring	Thokoza	52,54	1,550,000	-	-
Roads and Stormwater	Kwa-Thema Stormwater	Upgrading and Renewal	Kwa Thema	74,76,77,78,79,80	3,000,000	-	-
Roads and Stormwater	Provision of Pedestrian Bridge between Zonkizizwe and Palmridge	Urban Restructuring	Katlehong 2	61, 101	-	500,000	5,000,000
					674,700,000	635,400,000	576,700,000

Expected outcomes from the implementation of the Capital Budget

The mission of the department is the development and management of affordable, appropriate and high quality roads and storm water infrastructure, to continuously improve the quality of life in a sustainable, safe, economical, equitable, integrated, environmentally sensitive and participatory manner. The Roads and Storm Water Department has undertaken to eliminate the backlog of gravel roads by 2020 through the as and when tender termed Fak'imali Uzobona, which was initiated in 2004, and to date over a R2 billion has been spent with the construction of roads and storm water. Roads and storm water were identified as the metro's number one key mandate through the community participation process. The total budget for the department has grown from R327m in 2011/12 to R674.7m in 2015/16.

Below is a summary of budget breakdown per category:

Under the **Admin** portion of the budget, provision has been made to cater for procurement of ICT equipment, specialised equipment, office furniture and vehicles with focus mainly in the depots. The refurbishment of the roads depots also falls within this category with recommended budget of **R39.2m**.

The increased provision for “**main roads**” in 2014/15 and 2015/16 is primarily to cater for Aerotropolis-related infrastructure and access roads currently in the planning phase. Major roads constructed by developers are also taken into account in the SDBIP target relating to the “Expansion of the Strategic Road Network”. Due to the complexities and challenges in constructing these roads due to EIAs and land acquisition, it is difficult to predict exactly when which road will be constructed. In terms of the SDBIP target, the network is to be

expanded by 5 km per annum over a five-year period with recommended budget of **R88.5m** for 2015/16.

Under **pedestrian facilities** provision has been made for pedestrian walkways as well as pedestrian bridges. In terms of the SDBIP it is proposed that 20km of walkways be constructed per financial year, with recommended budget of **R32.8m for 2015/16**.

The budget for **storm water** will address a variety of projects, including work on dams and natural water courses. Due to the variable nature and cost of storm water projects it is often difficult to estimate the length of Stormwater systems to be constructed or upgraded. In terms of the SDBIP, it is envisaged that the capacity of storm water systems will be increased by 25 km per annum through recommended budget of **R121.3m** for 2015/16.

On **tertiary roads** funds are required to eradicate backlog in previously disadvantaged areas and for provision of access roads in formal areas. Based on the estimated cost of R3.8 million/km, 44 km of tertiary roads is to be upgraded in 2015/16 with recommended budget of **R53.1m**. For the 2016/17 financial year 42 km are to be upgraded...

Funding for **traffic calming and signal upgrades** are provided for provision of safety on roads and to improve the level of congestion. Measures are implemented on a priority basis in accordance with applications received. The recommended budget of **R14.3m** funds will be utilised for the installation of new signals as well as the upgrading of existing signals.

The budget for the **rehabilitation of roads** will address the upgrade of roads in accordance with the results of the Pavement Management System. Funds from the Operational Budget are also utilised for this purpose. An estimated 200 km per annum are envisaged to be rehabilitated and/or resurfaced per financial year with recommended budget of **R130m** for 2015/16.

Further key deliverables expected of the abovementioned projects include job creation, accredited training, development of local sub-contractors and an injection of community retained earnings to boost the local township economies.

2.10.26 SPORT, RECREATION, ARTS AND CULTURE (SRAC)

The SRAC department consists of the following functions:

- Sport and Recreation.
- Arts, Culture and Heritage.
- Library and Information Services.
- Projects.
- Support.
- Strategy and Planning.
- Operations.
- Governance and Compliance.

The result statements of the department is contained in the IDP in Annexure A.

Key projects of the Sport, Recreation, Arts and Culture Department

NAME OF THE PROJECT	BRIEF DESCRIPTION
Masakane Games	This programme has a two-pronged approach; one being schools sport and the other a community-wide sport development programme. The school sport

NAME OF THE PROJECT	BRIEF DESCRIPTION
	programme targets all schools in Ekurhuleni on two priority sporting codes - soccer and netball. The community-wide sporting programme has four sporting codes - soccer, netball, athletics and volleyball. These two programmes are aimed at identifying new talent that can represent the municipality in competitive sport codes.
Kiddies Olympics	An annual multi-coded sport festival for children from five to eight-years-old. The children are exposed to recreational programmes including indigenous games. This is an introduction to sport and recreation targeted at five to six-year-olds that involves day care centres and crèches throughout Ekurhuleni where children are exposed to different forms of recreation and sport with the hope that for future development they will be nurtured in their chosen sporting code/s.
September Cultural Month	September month will be a culmination of a year-long cultural competition of various art forms to be celebrated over three days in the metro. This programme would start at ward/area competitions to the six Ekurhuleni regions into a metro-wide cultural celebration at the end of September annually. Part of the programme would encourage the use of our community halls and public spaces to display art, crafts, drama and the like.
Kempton Park Cultural Precinct	As a first step towards realising an integrated spatial framework and land use for the Aerotropolis, we propose the development of Kempton Park as the cultural capital due to the fact that it serves as a compulsory conduit in and out of South Africa. Furthermore, it would allow the EMM to leverage the capital infrastructure and rich political heritage and history of the location. Amongst others, Kempton Park served as the seat for negotiations for the new political dispensation i.e. the CODESA deliberations that became the foundation for the new democracy. This provides for the possibility of the development of political tourism and exporting the South African story.
Elites arts and sports events	To bid and host annually two major sporting and cultural events in the municipality.
Holiday Programmes Greater participation of children in library programmes and services at all libraries	The programmes offer information and recreation activities to children and the youth at libraries during school holidays. The activities include, amongst others, career guidance, drafting of a CV, puppet shows, creating emails, video shows, storytelling, colouring, painting, and making Christmas cards, computer games and book bash literature festivals.

Operating Budget of the Sport, Recreation, Arts and Culture Department

The department has been tasked to do the following:

- Improve the condition of the facilities by working with the Real Estate Department to prioritise maintenance works.
- Analyse trends and transactions to identify the reasons for the decline in revenue.

The Operating Budget per category is attached hereto.

Table 86 Operating Budget of the Sport, Recreation, Arts and Culture Department

SPORT, RECREATION, ARTS AND CULTURE											
FINANCIAL PERIOD											
	F00 R'000 ORG BUDGET	F00 R'000 ADJ BUDGET	F00 R'000 YEAR TO DATE	F00 R'000 PROJECTED	F01 R'000 2015/16	% B to B	% P to B	% Of Total	F02 R'000 2016/17	F03 R'000 2017/18	
INCOME											
MINOR INCOME	177	177	24	34	176	-0.68%	418.00%	0.46%	185	196	
Total: USER CHARGES FOR SERVICES	177	177	24	34	176	-0.68%	418.00%	0.46%	185	196	
RENT OF FACILITIES AND EQUIPMENT	8,695	8,695	4,347	5,796	8,550	-1.67%	47.53%	22.58%	9,234	9,973	
Other Fines	1,795	1,795	179	239	591	-67.07%	147.42%	1.56%	635	683	
Sub-Total: FINES	1,795	1,795	179	239	591	-67.07%	147.42%	1.56%	635	683	
Operating Grants - Other	-	-	-	-	-	0.00%	0.00%	0.00%	2,550	2,550	
Provincial Operating Grants	3,400	4,689	626	4,689	6,654	41.92%	41.92%	17.58%	-	-	
Sub-Total: OPERATING GRANTS	3,400	4,689	626	4,689	6,654	41.92%	41.92%	17.58%	2,550	2,550	
USDG	35,800	32,476	11,056	30,852	18,000	-44.57%	-41.66%	47.54%	39,911	32,000	
Provincial Capital Grants	1,700	1,000	-	950	3,000	200.00%	215.79%	7.92%	8,000	6,000	
Sub-Total: CAPITAL GRANTS	37,500	33,476	11,056	31,802	21,000	-37.27%	-33.97%	55.47%	47,911	38,000	
SUNDRY INCOME	1,594	1,594	626	860	889	-44.26%	3.30%	2.35%	937	989	
TOTAL OPERATING INCOME	53,161	50,426	16,858	43,420	37,859	-24.92%	-12.81%	100.00%	61,453	52,390	
NET OPERATING INCOME	53,161	50,426	16,858	43,420	37,859	-24.92%	-12.81%	100.00%	61,453	52,390	
EXPENDITURE											
Employee Related Costs - Salaries & Wages	291,792	285,574	203,690	285,691	310,418	8.70%	8.66%	48.75%	330,595	350,431	
Employee Related Costs - Overtime	16,577	16,577	18,480	25,919	17,704	6.80%	-31.70%	2.78%	18,855	19,986	
Employee Related Costs - Social Contributions	78,741	78,741	53,763	74,804	79,255	0.65%	5.95%	12.45%	84,406	89,471	
Less: Employee Related Costs - Salaries Capitalised	(4,515)	(4,515)	-	(1,420)	(4,515)	0.00%	218.09%	-0.71%	(4,809)	(5,097)	
Sub-Total: REMUNERATION	382,595	376,376	275,933	384,995	402,861	7.04%	4.64%	63.26%	429,047	454,790	
DEPRECIATION	114,396	114,396	85,797	114,396	118,130	3.26%	3.26%	18.55%	121,674	125,933	
Repairs and Maintenance - External Contractors	36,749	33,169	13,949	30,198	39,206	18.20%	29.83%	6.16%	41,362	43,637	
Repairs and Maintenance - Internal Maintenance Teams	1,700	4,575	4,036	5,382	1,844	-59.69%	-65.73%	0.29%	1,964	2,082	
Sub-Total: REPAIRS AND MAINTENANCE	38,449	37,743	17,985	35,580	41,050	8.76%	15.37%	6.45%	43,326	45,719	
CONTRACTED SERVICES	4,550	4,863	973	1,601	2,488	-48.84%	55.37%	0.39%	2,625	2,835	
GENERAL EXPENSES	52,151	66,905	30,784	57,389	47,584	-28.88%	-17.09%	7.47%	48,103	48,650	
OPERATING GRANTS EXPENDITURE	3,400	4,689	626	1,563	6,654	41.92%	325.60%	1.04%	2,550	2,550	
TOTAL OPERATING EXPENDITURE	595,540	604,973	412,098	595,525	618,766	2.28%	3.90%	97.17%	647,324	680,476	
Internal Charges	15,977	15,977	29,258	33,484	18,035	12.88%	-46.14%	2.83%	19,987	22,088	
NET OPERATING EXPENDITURE	611,517	620,950	441,356	629,009	636,801	2.55%	1.24%	100.00%	667,312	702,564	
OPERATING SURPLUS/(DEFICIT)											
Contribution to Capital Budget	(558,356)	(570,524)	(424,498)	(585,589)	(598,942)	4.98%	2.28%		(605,858)	(650,174)	
Total Transfers from Cash-Backed Reserves	37,500	33,476	11,056	31,802	21,000	-37.27%	-33.97%		47,911	38,000	
NET OPERATING SURPLUS/(DEFICIT)	(520,856)	(537,048)	(413,442)	(553,787)	(577,942)	-25.00%	-25.00%		7,221	3,610	

Capital Budget of the Sport, Recreation, Arts and Culture Department

An amount of R193.4m for 2015/16, R115.9m for 2016/17 and R114.5m for the 2017/18 financial years have been provided for the Sport, Recreation, Arts and Culture Department

The department has requested the following Capital Budget:

Department	Project Name	Capitalisation Investment Framework Category	CCA	Ward/s in which project is located	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
SRAC	Construction of a new Bonaero Park Library	Urban Restructuring	Brakpan	31	-	-	1,000,000
SRAC	Construction: Ablution facilities	Urban Restructuring	Springs	23	2,000,000	3,000,000	-
SRAC	Construction: New Library: Brakpan	Urban Restructuring	Brakpan	97	2,200,000	-	-
SRAC	Fencing: Sport & Recreational Facilities	Upgrading and Renewal	Nigel	88	1,000,000	2,000,000	3,000,000
SRAC	Furniture & Equipment: Arts & Culture	Upgrading and Renewal	Operational Equipment	Operational Equipment	1,500,000	1,000,000	1,000,000
SRAC	Furniture: Community and Sport centres	Upgrading and Renewal	Operational Equipment	Operational Equipment	1,000,000	1,000,000	1,000,000
SRAC	Recapitalisation of Libraries	Urban Restructuring	Corporate	Multi Wards	3,000,000	8,000,000	6,000,000
SRAC	ICT Equipment	Upgrading and Renewal	Operational Equipment	Operational Equipment	3,000,000	3,000,000	3,000,000
SRAC	Libraries Furniture	Upgrading and Renewal	Operational Equipment	Operational Equipment	1,000,000	3,000,000	3,000,000
SRAC	Libraries ICT Equipment	Upgrading and Renewal	Operational Equipment	Operational Equipment	1,000,000	1,000,000	1,000,000
SRAC	Office Furniture	Upgrading and Renewal	Operational Equipment	Operational Equipment	500,000	1,000,000	1,000,000
SRAC	Rehabilitation of Libraries	Upgrading and Renewal	Corporate	Multi Wards	-	4,000,000	2,000,000
SRAC	Rehabilitation of Sport Facilities	Upgrading and Renewal	Corporate	Multi Wards	-	8,000,000	15,000,000
SRAC	Rehabilitation of Sport Facilities- Vosloorus stadium	Upgrading and Renewal	Vosloorus	46	500,000	-	-
SRAC	Rehabilitation of Sport Facilities- Reiger Park stadium	Upgrading and Renewal	Boksburg	43	600,000	-	-
SRAC	Rehabilitation of Sport Facilities- Delville bowling club	Upgrading and Renewal	Germiston	36	800,000	-	-
SRAC	Rehabilitation of Sport Facilities- Boksburg stadium	Upgrading and Renewal	Boksburg	32	2,350,000	-	-

EKURHULENI METROPOLITAN MUNICIPALITY – FINAL BUDGET 2015/16 TO 2017/18

Department	Project Name	Capitalisation Investment Framework Category	CCA	Ward/s in which project is located	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
SRAC	Rehabilitation of Sport Facilities- Kempton Park indoor sport	Upgrading and Renewal	Kempton Park	15	600,000	-	-
SRAC	Rehabilitation of Sport Facilities- Benoni north swimming pool	Upgrading and Renewal	Benoni	27	500,000	-	-
SRAC	Rehabilitation of Sport Facilities- Edenvale Bowling club	Upgrading and Renewal	Edenvale	18	200,000	-	-
SRAC	Rehabilitation of Sport Facilities- Primrose bowling club	Upgrading and Renewal	Germiston	21	450,000	-	-
SRAC	Rehabilitation of Sport	Upgrading and Renewal	Springs	67,75,76	17,000,000	18,000,000	18,000,000
SRAC	Resurfacing of Hard Courts	Upgrading and Renewal	Corporate	All wards	-	3,000,000	3,000,000
SRAC	Specialized Equipment	Upgrading and Renewal	Operational Equipment	Operational Equipment	2,000,000	3,000,000	3,000,000
SRAC	Toilets and guardhouses at various libraries	Upgrading and Renewal	Corporate	All wards	-	-	-
SRAC	Toilets and guardhouses at various libraries- Primrose Library	Upgrading and Renewal	Germiston	21	187,500	-	-
SRAC	Toilets and guardhouses at various libraries- Bedfordview Library	Upgrading and Renewal	Edenvale	20	187,500	-	-
SRAC	Toilets and guardhouses at various libraries- Spruitview	Upgrading and Renewal	Germiston	40	187,500	-	-
SRAC	Toilets and guardhouses at various libraries- Vosloorus	Upgrading and Renewal	Vosloorus	47	187,500	-	-
SRAC	Toilets and guardhouses at various libraries- Zonkezizwe	Upgrading and Renewal	Katlehong 2	62	187,500	-	-
SRAC	Toilets and guardhouses at various libraries- Elsburg	Upgrading and Renewal	Germiston	32	187,500	-	-

EKURHULENI METROPOLITAN MUNICIPALITY – FINAL BUDGET 2015/16 TO 2017/18

Department	Project Name	Capitalisation Investment Framework Category	CCA	Ward/s in which project is located	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
SRAC	Toilets and guardhouses at various libraries- Dinwiddie	Upgrading and Renewal	Alberton	39	187,500	-	-
SRAC	Toilets and guardhouses at various libraries- Thokoza	Upgrading and Renewal	Thokoza	57	187,500	-	-
SRAC	Toilets and guardhouses at various libraries- Palmridge	Upgrading and Renewal	Alberton	58	187,500	-	-
SRAC	Toilets and guardhouses at various libraries- Duduza	Upgrading and Renewal	Duduza	87	187,500	-	-
SRAC	Toilets and guardhouses at various libraries- Wattville	Upgrading and Renewal	Benoni	30	187,500	-	-
SRAC	Toilets and guardhouses at various libraries- Dunnottar	Upgrading and Renewal	Duduza	98	187,500	-	-
SRAC	Toilets and guardhouses at various libraries- H P Mokoka	Upgrading and Renewal	Daveyton	68	187,500	-	-
SRAC	Toilets and guardhouses at various libraries- Jerry Moloi	Upgrading and Renewal	Etwatwa	66	187,500	-	-
SRAC	Toilets and guardhouses at various libraries- Springs	Upgrading and Renewal	Springs	75	187,500	-	-
SRAC	Toilets and guardhouses at various libraries- Bakerton	Upgrading and Renewal	Springs	72	187,500	-	-
SRAC	Upgrade of Alra Park Library	Upgrading and Renewal	Nigel	88	-	-	3,000,000
SRAC	Upgrade: Art Centres	Upgrading and Renewal	Tembisa 1	Multi Wards	2,000,000	2,000,000	3,500,000
SRAC	Upgrade: Construction of Memorial Sites	Upgrading and Renewal	Tembisa 1	9,75	1,700,000	-	-
SRAC	Upgrade: Recreation Facilities	Upgrading and Renewal	Corporate	Multi Wards	1,000,000	3,000,000	4,000,000

Department	Project Name	Capitalisation Investment Framework Category	CCA	Ward/s in which project is located	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
SRAC	Upgrading and completion Makhulong stadium	Upgrading and Renewal	Tembisa 2	5	-	-	2,000,000
SRAC	Vehicles	Upgrading and Renewal	Operational Equipment	Operational Equipment	10,000,000	12,000,000	10,000,000
SRAC	Re-mobilise - 60 eco gyms established	Upgrading and Renewal	Corporate	All wards	8,000,000	-	-
SRAC	Re-mobilise - 3 Graders purchased	Upgrading and Renewal	Operational Equipment	Operational Equipment	4,500,000	-	-
SRAC	Re-mobilise - Refurbishment of 50 Community Facilities completed	Upgrading and Renewal	Corporate	All wards	50,000,000	-	-
SRAC	Construction of a Zonkizizwe Multi-purpose center	Urban Restructuring	Katlehong 2	101	-	16,000,000	20,000,000
SRAC	Construction of a new swimming pool in Duduza	Urban Restructuring	Duduza	86	4,000,000	15,000,000	-
SRAC	Construction of a new swimming pool in Eden Park	Urban Restructuring	Thokoza	58	15,000,000	-	-
SRAC	Construction of New Library: Tsakane	Urban Restructuring	Tsakane	85	9,000,000	-	-
SRAC	Construction: New Library Etwatwa	Urban Restructuring	Etwatwa	26	-	8,911,111	11,000,000
SRAC	Germiston Theatre	Upgrading and Renewal	Germiston	36	35,000,000	-	-
SRAC	Rehabilitation of Thami Mnyele Cultural Park	Upgrading and Renewal	Tembisa 1	9	1,000,000	-	-
SRAC	Upgrade Tembisa Library	Urban Restructuring	Tembisa 2	4	8,000,000	-	-
					193,400,000	115,911,111	114,500,000

Although the financial sustainability of these non-income generating facilities is usually questioned, it contributes towards the creation of sustainable human settlements (social upliftment). It is proposed that SRAC together with the Economic Development and Real Estate Departments re-visit the leasing potential of lettable facilities and that the maintenance thereof be addressed via a service level agreement between SRAC and Real Estate.

Expected outcomes from the implementation of the Capital Budget

The department is tasked with the following functions:

- Provision of sport, recreation, arts and cultural facilities.
- Preservation and promotion of Ekurhuleni's heritage and identity.
- Transformation and development of library media resources.

Utilisation of sport, recreation, arts and culture programmes to enhance social cohesion. To address the above, the total budget for the department is R193.4 m.

Some of the major projects include:

- R50m for the Refurbishment of all the community halls.
- R35m for the development of the Germiston Theatre to be completed in 2015/16.
- R11.2m for the completion of the new Tsakane and Brakpan Libraries.
- R36.5m for rehabilitation of sport facilities including swimming pools.
- R8m for the establishment of eco-gyms in parks

2.10.27 STRATEGY & CORPORATE PLANNING

The result statements of the department is contained in the IDP in Annexure A

Mandate of the Strategy and Corporate Planning Department

The mandate of the Strategy and Corporate Planning Department (SCP) is to provide strategic direction and ensure effective and uniform strategic planning, monitoring and evaluation and research systems for Ekurhuleni Metropolitan Municipality. The department's core area of delivery includes strategic planning and support to all the departments of the Municipality; monitoring and evaluation and reporting for the entire Metro. Moreover, the department focuses on some of the research matters of the Metro, making available and intelligence to enhance decision making and planning across the Metro. The Strategy and Corporate Planning Department has been organised into functional areas that best allow it to meet its core business requirements. Its role is critical in ensuring that the integrated development plan is in line with the 2055 vision of GDS.

Table 87 Operating Budget of the Strategy & Corporate Planning Department

EKURHULENI METROPOLITAN MUNICIPALITY											
STRATEGIC AND CORPORATE PLANNING											
FINANCIAL PERIOD	F00 R'000 ORG BUDGET	F00 R'000 ADJ BUDGET	F00 R'000 YEAR TO DATE	F00 R'000 PROJECTED	F01 R'000 2015/16	% B to B	% P to B	% Of Total	F02 R'000 2016/17	F03 R'000 2017/18	
EXPENDITURE											
Employee Related Costs - Salaries & Wages	18,010	16,108	8,960	12,568	17,444	8.29%	38.80%	70.38%	18,578	19,692	
Employee Related Costs - Overtime	30	30	34	48	32	6.80%	-33.49%	0.13%	34	36	
Employee Related Costs - Social Contributions	1,339	1,339	961	1,337	2,533	89.24%	89.51%	10.22%	2,698	2,860	
Less: Employee Related Costs - Salaries Capitalised	(7)	(7)	-	(2)	(7)	0.00%	218.09%	-0.03%	(7)	(8)	
Sub-Total: REMUNERATION	19,371	17,469	9,955	13,950	20,002	14.50%	43.38%	80.70%	21,302	22,580	
DEPRECIATION	609	609	457	609	629	3.26%	3.26%	2.54%	647	670	
Repairs and Maintenance - External Contractors	11	13	-	-	4	-65.58%	100.00%	0.02%	5	5	
Repairs and Maintenance - Internal Maintenance Teams	20	20	20	27	22	8.50%	-18.64%	0.09%	24	25	
Sub-Total: REPAIRS AND MAINTENANCE	31	33	20	27	27	-19.85%	-2.63%	0.11%	28	30	
CONTRACTED SERVICES	50	50	-	-	-	-100.00%	0.00%	0.00%	-	-	
GENERAL EXPENSES	5,425	4,714	1,106	2,061	4,127	-12.45%	100.23%	16.65%	4,191	4,260	
TOTAL OPERATING EXPENDITURE	25,486	22,874	11,538	16,647	24,784	8.35%	48.88%	100.00%	26,169	27,540	
NET OPERATING EXPENDITURE	25,486	22,874	11,538	16,647	24,784	8.35%	48.88%	100.00%	26,169	27,540	
OPERATING SURPLUS/(DEFICIT)	(25,486)	(22,874)	(11,538)	(16,647)	(24,784)	8.35%	48.88%		(26,169)	(27,540)	
Total Transfers from Cash-Backed Reserves	84	84	63	84	63	-25.00%	-25.01%		42	21	
NET OPERATING SURPLUS/ (DEFICIT)	(25,402)	(22,791)	(11,476)	(16,563)	(24,721)	8.47%	49.25%		(26,127)	(27,519)	

Capital Budget of STRATEGY & CORPORATE PLANNING

An amount of R310 000, R360 000 and R390 000 for the 2015/16, 2016/17 and 2017/18 financial years respectively, has been provided for operational equipment for the Strategy & Corporate Planning department.

The department has requested the following Capital Budget:

Department	Project Name	Capitalisation Investment Framework Category	CCA	Ward/s in which project is located	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
Strategy & Corporate Planning	ICT Equipment	Upgrading and Renewal	Operational Equipment	Operational Equipment	120,000	140,000	150,000
Strategy & Corporate Planning	Office Furniture	Upgrading and Renewal	Operational Equipment	Operational Equipment	120,000	140,000	150,000
Strategy & Corporate Planning	Other Equipment	Upgrading and Renewal	Operational Equipment	Operational Equipment	70,000	80,000	90,000
					310,000	360,000	390,000

2.10.28 TRANSPORT PLANNING AND PROVISION

The result statements of the department is contained in the IDP in Annexure A.

Flagship Projects as pronounced by the Executive Mayor

Integrated Rapid Public Transport Network (IRPTN)

The Department of Transport Planning and Provision is responsible for the Integrated Rapid Transit Network (IRPTN). This project emanated from the Public Transport Action Strategy and Action Plan which was adopted by the National Cabinet in 2007. The strategy is aimed at accelerated modal upgrading and Integrated Public Transport Networks.

Ekurhuleni is one of the 12 metros in the country identified to implement an IRPTN. The department has been allocated a budget of R1,360 billion over the 2015/16 MTREF from the Public Transport Network Grant (PTNG) as well as R839 million over the 2015/16 MTREF from the Urban Settlement Development Grant (USDG).

Progress to date on the IRPTN can be summarised as follows:

- I. IRPTN Operational Plan: This plan was approved by the National Department of Transport in December 2012 and as such the business plan that has been developed is based on the approved Business Plan.
- II. IRPTN Business Plan: The Business Plan is aimed at outlining the capital and operational costs of the IRPTN from planning to implementation and operations. The Business plan was concluded and approved by the Mayoral Committee on the 26th November 2014.
- III. The IRPTN construction has also commenced with two contractors appointed for the construction of the complementary and trunk routes. A total of 5kms of the trunk route is targeted for completion by June 2015.

- IV. To date 14 km of Non-Motorised Transport Infrastructure have been constructed in Tembisa, Rondebult Road and Kempton Park.
- V. 13 Lay-bys for loading and off-loading passengers have also been constructed.

The focus areas on the IRPTN project in the year 2014/15 will be the implementation of the IRPTN infrastructure such as the road Infrastructure – 5kms of the Trunk Route, commencement of the median stations construction and the Transport Command Centre to name but a few.

Key Strategic projects of the Transport Department

PROJECT NAME	PROJECT DESCRIPTION
Planning and implementation of Integrated Rapid Public Transport Network.	The project entails the introduction of a Bus Rapid Transit System that will be integrated with other Public Transport Modes in Ekurhuleni from Tembisa to Vosloorus. The system will be a combination of dedicated bus lanes and complementary/feeder routes with dedicated median stations and as well as a dedicated Transport Command Centre.
Katlehong Licensing Hub	This is the first fully-fledged licensing hub that will be constructed in a township. Amongst some of the most important services that will be offered are: motor vehicle registration, driver licensing and testing and also vehicle testing. This project is aimed at extending the licensing services to previously disadvantaged areas.
Construction new public transport facilities viz. New Vosloorus and Palm Ridge public transport facilities.	The department envisages to have 4 newly constructed public transport facilities in Palm Ridge, New Vosloorus, Bluegumview and Phutaditshaba. Currently in these areas there are no ranking facilities. Two of these facilities will be constructed by end June 2015 viz. (New Vosloorus and Palm Ridge and Bluegumview and Phutaditshaba will be concluded in the 2015/16 financial year.
Provision of bus shelters in Ekurhuleni	The department is looking at erecting bus/taxi shelters across Ekurhuleni. This is in line with the provision of public transport infrastructure across EMM.

Operating Budget of the Transport Department

The Transport Department is responsible for the transport planning, public transport and licensing function. The department has completed the draft Comprehensive Integrated Public Transport Plan (CITP) that will guide the development of transportation and spatial planning in the metro.

The Operating Budget per category is attached hereto.

Table 88 Operating Budget of the Transport Department

EKURHULENI METROPOLITAN MUNICIPALITY										
TRANSPORT										
FINANCIAL PERIOD										
	F00 R'000 ORG BUDGET	F00 R'000 ADJ BUDGET	F00 R'000 YEAR TO DATE	F00 R'000 PROJECTED	F01 R'000 2015/16	% B to B	% P to B	% Of Total	F02 R'000 2016/17	F03 R'000 2017/18
INCOME										
MINOR INCOME	18,529	18,529	14,474	20,075	19,529	5.40%	-2.72%	2.13%	60,603	63,936
Total: USER CHARGES FOR SERVICES	18,529	18,529	14,474	20,075	19,529	5.40%	-2.72%	2.13%	60,603	63,936
Other Fines	1,070	1,070	-	-	-	-100.00%	0.00%	0.00%	-	-
Sub-Total: FINES	1,070	1,070	-	-	-	-100.00%	0.00%	0.00%	-	-
LICENSES AND PERMITS	-	-	3	4	0	100.00%	-96.14%	0.00%	10,000	10,750
INCOME FROM AGENCY SERVICES	258,557	258,557	194,079	258,773	274,014	5.98%	5.89%	29.93%	295,935	319,610
National Operating Grant	20,000	10,000	4,388	10,000	30,000	200.00%	200.00%	3.28%	40,000	40,000
Sub-Total: OPERATING GRANTS	20,000	10,000	4,388	10,000	30,000	200.00%	200.00%	3.28%	40,000	40,000
USDG	304,401	257,901	87,459	245,006	274,048	6.26%	11.85%	29.93%	280,000	300,000
Public Transport Infrastructure Grant	230,000	290,224	134,173	275,713	309,296	6.57%	12.18%	33.78%	404,389	536,544
Sub-Total: CAPITAL GRANTS	534,401	548,125	221,632	520,719	583,344	6.43%	12.03%	63.71%	684,389	836,544
SUNDRY INCOME	14,297	14,297	109	150	8,757	-38.75%	5747.16%	0.96%	9,238	9,746
TOTAL OPERATING INCOME	846,854	850,578	434,686	809,720	915,643	7.65%	13.08%	100.00%	1,100,165	1,280,586
NET OPERATING INCOME	846,854	850,578	434,686	809,720	915,643	7.65%	13.08%	100.00%	1,100,165	1,280,586
EXPENDITURE										
Employee Related Costs - Salaries & Wages	175,447	171,925	121,174	169,956	198,290	15.34%	16.67%	52.22%	300,529	320,061
Employee Related Costs - Overtime	15,973	15,973	12,840	18,009	17,059	6.80%	-5.27%	4.49%	18,168	19,258
Employee Related Costs - Social Contributions	47,267	47,267	33,311	46,349	49,092	3.86%	5.92%	12.93%	52,283	55,420
Less: Employee Related Costs - Salaries Capitalised	(9,185)	(9,185)	-	(2,888)	(9,185)	0.00%	218.09%	-2.42%	(9,782)	(10,369)
Sub-Total: REMUNERATION	229,501	225,980	167,325	231,426	255,256	12.96%	10.30%	67.22%	361,198	384,370
Repairs and Maintenance - External Contractors	15,867	16,802	10,791	23,332	34,390	104.67%	47.39%	9.06%	86,241	92,344
Repairs and Maintenance - Internal Maintenance Teams	4,427	4,620	3,437	4,583	4,804	3.99%	4.82%	1.27%	5,116	5,423
Sub-Total: REPAIRS AND MAINTENANCE	20,295	21,422	14,228	27,915	39,194	82.96%	40.40%	10.32%	91,357	97,767
CONTRACTED SERVICES	13,881	13,881	2,979	4,903	11,950	-13.91%	143.71%	3.15%	12,607	13,616
GENERAL EXPENSES	40,941	39,269	20,044	37,345	41,154	4.80%	10.20%	10.84%	69,870	73,732
OPERATING GRANTS EXPENDITURE	20,000	10,000	4,388	10,962	30,000	200.00%	173.68%	7.90%	40,000	40,000
TOTAL OPERATING EXPENDITURE	324,618	310,552	208,964	312,551	377,554	21.58%	20.80%	99.42%	575,032	609,485
Internal Charges	1,931	1,931	(2,230)	(2,553)	2,184	13.08%	-185.55%	0.58%	2,432	2,706
NET OPERATING EXPENDITURE	326,549	312,483	206,734	309,998	379,738	21.52%	22.50%	100.00%	577,464	612,191
OPERATING SURPLUS/(DEFICIT)										
Contribution to Capital Budget	520,305	538,095	227,952	499,722	535,905	-0.41%	7.24%		522,701	668,395
	534,401	548,125	221,632	520,719	583,344	6.43%	12.03%		684,389	836,544
NET OPERATING SURPLUS/(DEFICIT)	(14,097)	(10,030)	6,320	(20,997)	(47,438)	372.95%	125.93%		(161,688)	(168,149)

Capital Budget of the Transport Department

An amount of R729.2m for 2015/16, R785.9m for 2016/17 and R1.008 billion for the 2017/18 financial years have been provided for the Transport Department

The department has requested the following Capital Budget:

Department	Project Name	Capitalisation Investment Framework Category	CCA	Ward/s in which project is located	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
Transport	Construction of Intermodal facilities: Upgrading Germiston Station Taxi Rank	Upgrading and Renewal	Germiston	93	40,000,000	40,000,000	30,000,000
Transport	Construction of MVRA/DLTC Kwatsaduza	Urban Restructuring	Kwa Thema	Multi Wards	-	2,000,000	23,000,000
Transport	Construction of MVRA/DLTC Tembisa	Urban Restructuring	Tembisa 2	4	10,000,000	21,800,000	17,000,000
Transport	Construction of public transport facilities	Urban Restructuring	Benoni	24	2,000,000	18,000,000	-
Transport	Drive Thru Germiston	Urban Restructuring	Germiston	36	-	-	2,000,000
Transport	Establish MVRA/DLTC Katlehong	Urban Restructuring	Katlehong 1	55	39,000,000	-	-
Transport	Establishment of new MVRA and Transport Offices Kempton Park	Urban Restructuring	Kempton Park	26	-	-	2,000,000
Transport	ICT Equipment	Upgrading and Renewal	Operational Equipment	Operational Equipment	900,000	1,000,000	1,100,000
Transport	ICT Equipment (LIC)	Upgrading and Renewal	Operational Equipment	Operational Equipment	700,000	800,000	900,000
Transport	Integrated Rapid Public Transport Network(IRPTN)	Economic Development	Multi CCA	2--18; 22; 23; 28; 29;31; 32; 43-47; 89-92; 95;99	309,296,000	404,389,000	536,544,000
Transport	Integrated Rapid Public Transport Network(IRPTN)	Economic Development	Multi CCA	2--18; 22; 23; 28; 29;31; 32; 43-47; 89-92; 95;99	259,047,621	280,000,000	300,000,000
Transport	Office Furniture	Upgrading and Renewal	Operational Equipment	Operational Equipment	600,000	600,000	700,000
Transport	Office Furniture (Licensing)	Upgrading and Renewal	Operational Equipment	Operational Equipment	900,000	900,000	1,000,000
Transport	Other Equipment (LIC)	Upgrading and Renewal	Operational Equipment	Operational Equipment	-	-	1,000,000
Transport	Refurbish All Metro Licensing Premises	Upgrading and Renewal	Alberton	17,19,20,32,39, 72,75,78,82,87, 88,94,97	1,600,000	5,000,000	5,000,000

Department	Project Name	Capitalisation Investment Framework Category	CCA	Ward/s in which project is located	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
Transport	Refurbishment of Public Transport Facilities	Upgrading and Renewal	Corporate	Multi Wards	5,000,000	5,000,000	-
Transport	Replace Municipal buses	Upgrading and Renewal	Operational Equipment	Operational Equipment	40,000,000	-	80,000,000
Transport	Security Cameras	Upgrading and Renewal	Operational Equipment	Operational Equipment	1,200,000	1,500,000	1,600,000
Transport	Specialized Equipment (Licensing)	Upgrading and Renewal	Operational Equipment	Operational Equipment	2,000,000	3,000,000	4,000,000
Transport	Vehicles	Upgrading and Renewal	Operational Equipment	Operational Equipment	1,000,000	1,000,000	1,500,000
Transport	Vehicles (Licensing)	Upgrading and Renewal	Operational Equipment	Operational Equipment	1,000,000	1,000,000	1,500,000
Transport	Bluegumview Taxi Rank	Urban Restructuring	Duduza	86	7,000,000	-	-
Transport	Phuthaditjaba Taxi Rank (Tokoza)	Urban Restructuring	Thokoza	58	8,000,000	-	-
					729,243,621	785,989,000	1,008,844,000

Expected outcomes from the implementation of the Capital Budget

The total budget for the department is R729.2 m. significant projects are:

- R568m for the Integrated Rapid Public Transport Network(IRPTN)
- R93m for the upgrading of taxi ranks.
- R23.8m for the establishment of the MVRA/DLTC in Katlehong and Tembisa.
- R40m for the procurement of busses.

2.10.29 BUDGET OF THE BRAKPAN BUS COMPANY (BBC)

CHALLENGES

The current pilferage rate has prompted the company to see the need to drive for pre paying customers, so as to improve the collection of revenue and minimise the time and money spent on disciplinary matters.

The company concedes that buses have been underutilised during off peak hours and the vigorous marketing of the busses, by the employed Sales and Marketing Officer is embarked upon and thus maximise their use, for example, on special hire trips and contracting with corporate. The company has also seen the need to embark on advertising and branding on the buses to generate extra revenue. The survey on customer satisfaction is under way, this will assist to improve on the company's customer service, by identifying gaps given the survey results.

Internally on the employee's side, implementation of the South African Road Passenger Bargaining Council (SARPBAC) agreement comprehensively will assist in improving the morale by offering basic benefits, for example, implement the housing and medical aid

subsidy. Also by encouraging and incentivising driver's good conduct especially to commuters.

KEY PRIORITIES

In order to improve on the competitiveness of the company, and improve on income generated, the company will be embarking on the following priority projects:

- Increasing the number of pre-paying customers (compared to cash paying customers);
- Conducting customer satisfaction surveys, to identify areas requiring improvement;
- Improve on governance and risk management systems and controls, in order to optimise effectiveness and efficiencies;
- Marketing of Brakpan Bus Company services, and maximise the use of buses on special hire trips;
- Service Level Agreement (SLA) with the workshop to be renegotiated to improve the turn-around time;
- A tender to be issued for diesel supply to ensure agility when diesel is unavailable from EMM sources;
- Improving staff morale

Operating Budget

The total original Company Net Operating Surplus for 2014/15 was R278 099. For the 2015/16 multi-year budget, Net Operating Surplus of R52 404, R131 673 and R35 030 for the 2016/17, 2017/18 financial years respectively will be realised.

Operating Income

The total annual average income envisaged will be 9 %. The annual fare increase of 5% will be factored, the 4% growth from cash paying passengers, coupon sales, 10% special hire trips, and 2.2% DoRT subsidy, and BBC will request the EMM Grant of R5 Million to cover short fall of subsidy.

Operating Expenditure

The total annual average expenses envisaged will be 10%. The two main cost drivers of this increase are Salaries and Fuel.

Salaries overall increase will be as follows;

The salary increase of Senior Managers is estimated at 6.8%, which will be revised as soon as review of management performance is finalized.

The rest of employees salary increase is based on the Circular 74 from National Treasury, at 6.8% for 2015/2016 financial year.

Diesel envisaged increase is 10%

Capital Budget

The Company has the following projects in the Capital budget for the multi-year period of 2015/16 to 2017/18 which amounts to R1 170 000, 00 and comprises of the following and will escalate as detailed below.

2015/16 - 2017/18 DRAFT MULTI YEAR CAPITAL BUDGET - DETAILED PROJECT LIST									
Department	Project Name	Capitalisation Investment Framework Category	Source of Finance 2014/2015	Approved Budget 2014/15	2014/15 Revised Budget as per CIF Recommendation	Source of Finance 2015/2016	Approved Budget 2015/16 as per 2013/2014 MTREF approval	2016/17 Revised Budget as per CIF Recommendation	2017/18 Revised Budget as per CIF Recommendation
BBC	IT Equipment	New	In house finance	25 000	25 000	In house finance	35 000	45 000	55 000
BBC	Furniture and other assets	New	In house finance	25 000	155 000	In house finance	35 000	45 000	55 000
BBC	Motor Vehicle	New	In house finance	200 000	200 000	In house finance	250 000	300 000	350 000
BBC Total				250 000	380 000		320 000	390 000	460 000

Table 89 Budget of the Brakpan Bus Company

BBC										
FINANCIAL PERIOD	F00 R'000 ORG BUDGET	F00 R'000 ADJ BUDGET	F00 R'000 YEAR TO DATE	F00 R'000 PROJECTED	F01 R'000 2015/16	% B to B	% P to B	% Of Total	F02 R'000 2016/17	F03 R'000 2017/18
INCOME										
Departmental Usage	25,955	25,955	6,630	25,955	28,658	10.42%	10.42%	85.02%	32,372	36,968
Sub-total: NET PROPERTY RATES	25,955	25,955	6,630	25,955	28,658	10.42%	10.42%	85.02%	32,372	36,968
INTEREST EARNED ON INVESTMENTS	50	50	5	50	50	0.00%	0.00%	0.15%	50	53
Capital Grants - Other	5,000	5,000	1,250	5,000	5,000	0.00%	0.00%	14.83%	3,500	—
Sub-Total: CAPITAL GRANTS	5,000	5,000	1,250	5,000	5,000	0.00%	0.00%	14.83%	3,500	—
TOTAL OPERATING INCOME	31,005	31,005	7,885	31,005	33,708	8.72%	8.72%	100.00%	35,922	37,021
NET OPERATING INCOME	31,005	31,005	7,885	31,005	33,708	8.72%	8.72%	100.00%	35,922	37,021
EXPENDITURE										
Employee Related Costs - Salaries & Wages	12,561	12,291	2,727	12,291	13,933	13.36%	13.36%	41.40%	15,326	16,859
Employee Related Costs - Overtime	724	724	181	724	724	0.00%	-0.05%	2.15%	776	822
Remuneration of Councillors	1,417	1,417	251	1,417	1,509	6.51%	6.51%	4.48%	1,615	1,728
Sub-Total: REMUNERATION	14,702	14,432	3,159	14,432	16,166	12.02%	12.01%	48.03%	17,717	19,409
DEPRECIATION	1,881	1,681	411	1,681	1,699	1.07%	1.07%	5.05%	1,741	1,741
Repairs and Maintenance - External Contractors	504	1,549	513	1,549	1,703	9.92%	9.92%	5.06%	554	609
Sub-Total: REPAIRS AND MAINTENANCE	500	441	115	441	360	-18.29%	-18.29%	1.07%	554	609
INTEREST ON EXTERNAL BORROWINGS	13,140	12,624	3,141	12,624	13,728	8.74%	8.75%	40.79%	15,779	15,227
GENERAL EXPENSES	30,727	30,727	7,338	30,727	33,656	9.53%	9.53%	100.00%	35,790	36,986
TOTAL OPERATING EXPENDITURE	30,727	30,727	7,338	30,727	33,656	9.53%	9.53%	100.00%	35,790	36,986
NET OPERATING EXPENDITURE	30,727	30,727	7,338	30,727	33,656	9.53%	9.53%	100.00%	35,790	36,986
OPERATING SURPLUS/(DEFICIT)	278	278	547	278	52	-81.15%	-81.16%		132	35
NET OPERATING SURPLUS/ (DEFICIT)	278	278	547	278	52	-81.15%	-81.16%		132	35

2.10.30 WASTE MANAGEMENT DEPARTMENT

The result statements of the department is contained in the IDP in Annexure A.

Key Strategic Projects of the Waste Management Department

NAME OF THE PROJECT	BRIEF DESCRIPTION
Improvement of Cleanliness of CBD' Areas.	WMS is embarking on a program to improve cleanliness of the Central Business Districts by: <ul style="list-style-type: none"> • Introducing Nightshifts. • Procuring Street sweepers which will assist in CBD's during the nightshifts.
Development and Upgrading the Public Offloading Facilities.	WMS is embarking in the Development and Upgrading of public offloading facilities program by: <ul style="list-style-type: none"> • Development of Public Offloading Facilities in areas where there are none. • Upgrading of existing public offloading facilities into recycling and buyback facilities. • Permitting of existing public off loading facilities.
Identification of the Landfill Site in the Northern Areas.	WMS is using privately owned Waste Disposal Facilities in the Northern Service Delivery Areas. WMS is embarking on a process to develop a Waste Treatment Facility in the Northern Service Delivery Areas.
Procurement, Delivery and Distribution of 240 Litre Waste Mobile Containers.	WMS is embarking on a programme to convert waste receptacles from Refuse Plastic Liners to 240 Litre Waste Mobile Containers as they are: <ol style="list-style-type: none"> 1. Safer technology. 2. Cleaner Technology. 3. Increase waste storage capacity.

Operating Budget of the Waste Management Department

Waste Management Services Department services more than one million households in EMM. The services rendered include residential waste collection (formal and informal settlements), business waste collection, street sweeping, litter picking, clearing illegal dumping, waste transfer and disposal services as well as provision of public off-loading facilities. Waste Management Services Department is labour intensive with a staff compliment over 1600 while some of the services have been outsourced to serve the communities better. The department contributes to the Growth and Development Strategy through ensuring that environmental resources are protected from harm by ensuring that no waste is disposed of in non-designated areas. The departmental strategic focus for the year is outlined as follows:

- i. Construction of waste minimisation facilities.
- ii. Increase the operational compliance of all landfill sites in Ekurhuleni.
- iii. Increased compliance to the national and provincial waste management norms and standards – through distribution of 240l bins and provision of equitable waste collection and disposal services.
- iv. Increased provision of waste management services to informal settlements.
- v. Increase implementation of the greenhouse gas emissions policy.
- vi. Increased waste minimisation.
- vii. Increase support to primary and secondary education.
- viii. Increase citizen responsibility for municipal services.
- ix. Increased provision of landfill airspace.

Table 90 Operating Budget of the Waste Management Department

EKURHULENI METROPOLITAN MUNICIPALITY										
WASTE MANAGEMENT										
FINANCIAL PERIOD	F00 R'000 ORG BUDGET	F00 R'000 ADJ BUDGET	F00 R'000 YEAR TO DATE	F00 R'000 PROJECTED	F01 R'000 2015/16	% B to B	% P to B	% Of Total	F02 R'000 2016/17	F03 R'000 2017/18
NT										
INCOME										
Interest Earned - Outstanding Debtors	29,682	29,682	29,891	39,854	40,000	34.76%	0.37%	2.28%	43,200	46,656
Sub-total: PENALTIES AND INTEREST ON DEBTORS	29,682	29,682	29,891	39,854	40,000	34.76%	0.37%	2.28%	43,200	46,656
Solid Waste Income	1,108,842	1,108,842	808,514	1,078,019	1,206,511	8.81%	11.92%	68.71%	1,301,777	1,404,595
Departmental Usage	122,508	151,187	108,337	144,449	158,426	4.79%	9.68%	9.02%	171,100	184,788
Sub-total: SOLID WASTE SALES	1,231,349	1,260,029	916,851	1,222,467	1,364,937	8.33%	11.65%	77.73%	1,472,877	1,589,383
Total: USER CHARGES FOR SERVICES	1,231,349	1,260,029	916,851	1,222,467	1,364,937	8.33%	11.65%	77.73%	1,472,877	1,589,383
Equitable Share	345,153	345,153	345,153	345,153	350,968	1.68%	1.68%	19.99%	383,817	424,930
Sub-Total: OPERATING GRANTS	345,153	345,153	345,153	345,153	350,968	1.68%	1.68%	19.99%	383,817	424,930
USDG	25,000	4,600	157	4,370	-	-100.00%	0.00%	0.00%	-	-
Sub-Total: CAPITAL GRANTS	25,000	4,600	157	4,370	-	-100.00%	0.00%	0.00%	-	-
SUNDRY INCOME	-	-	40	54	-	0.00%	0.00%	0.00%	-	-
TOTAL OPERATING INCOME	1,631,184	1,639,464	1,292,091	1,611,899	1,755,906	7.10%	8.93%	100.00%	1,899,894	2,060,969
Internal Recoveries	-	-	6	8	-	0.00%	0.00%	0.00%	-	-
NET OPERATING INCOME	1,631,184	1,639,464	1,292,097	1,611,907	1,755,906	7.10%	8.93%	100.00%	1,899,894	2,060,969

EKURHULENI METROPOLITAN MUNICIPALITY											
WASTE MANAGEMENT											
FINANCIAL PERIOD											
NT											
EXPENDITURE											
	F00 R'000 ORG BUDGET	F00 R'000 ADJ BUDGET	F00 R'000 YEAR TO DATE	F00 R'000 PROJECTED	F01 R'000 2015/16	% B to B	% P to B	% Of Total	F02 R'000 2016/17	F03 R'000 2017/18	
Employee Related Costs - Salaries & Wages	254,624	249,242	169,736	238,068	267,712	7.41%	12.45%	17.55%	285,113	302,220	
Employee Related Costs - Overtime	39,756	39,756	62,391	87,508	42,459	6.80%	-51.48%	2.78%	45,219	47,932	
Employee Related Costs - Social Contributions	58,648	58,648	40,646	56,555	59,447	1.36%	5.11%	3.90%	63,311	67,110	
Less: Employee Related Costs - Salaries Capitalised	(5,824)	(5,824)	-	(1,831)	(5,824)	0.00%	218.09%	-0.38%	(6,203)	(6,575)	
Sub-Total: REMUNERATION	347,203	341,822	272,774	380,300	363,794	6.43%	-4.34%	23.84%	387,441	410,687	
BAD DEBT PROVISION	53,546	53,546	40,159	53,546	67,966	26.93%	26.93%	4.45%	71,365	77,074	
DEPRECIATION	45,809	45,809	34,357	45,809	47,304	3.26%	3.26%	3.10%	48,723	50,429	
Repairs and Maintenance - External Contractors	103,751	104,425	57,382	124,075	99,231	-4.97%	-20.02%	6.50%	107,169	115,743	
Repairs and Maintenance - Internal Maintenance Teams	5,265	5,343	4,088	5,451	5,713	6.92%	4.81%	0.37%	6,084	6,449	
Sub-Total: REPAIRS AND MAINTENANCE	109,016	109,768	61,470	129,526	104,944	-4.39%	-18.98%	6.88%	113,253	122,192	
INTEREST ON EXTERNAL BORROWINGS	72,018	74,018	32,800	50,043	77,613	4.86%	55.09%	5.09%	87,314	98,229	
CONTRACTED SERVICES	253,014	250,079	131,387	216,284	267,457	6.95%	23.66%	17.53%	282,167	304,740	
Grants & Subsidies Paid - Social/Educational/Sports	24,253	11,376	6,079	9,021	20,000	75.80%	121.71%	1.31%	21,600	23,328	
Grants & Subsidies Paid - Free Basic Services - Indigents	144,771	144,771	93,982	139,459	157,885	9.06%	13.21%	10.35%	170,516	184,157	
Sub-Total: Grants and Subsidies	169,024	156,148	100,061	148,480	177,885	13.92%	19.80%	11.66%	192,116	207,485	
GENERAL EXPENSES	98,309	192,144	62,517	116,477	136,510	-28.95%	17.20%	8.95%	122,278	125,197	
TOTAL OPERATING EXPENDITURE	1,147,939	1,223,334	735,524	1,140,465	1,243,473	1.65%	9.03%	81.50%	1,304,657	1,396,033	
Internal Charges	252,361	281,040	184,902	211,613	282,227	0.42%	33.37%	18.50%	305,508	330,616	
NET OPERATING EXPENDITURE	1,400,299	1,504,374	920,426	1,352,078	1,525,700	1.42%	12.84%	100.00%	1,610,165	1,726,649	
OPERATING SURPLUS/(DEFICIT)	230,885	135,090	371,671	259,829	230,206	70.41%	-11.40%		289,729	334,320	
Contribution to Capital Budget	25,000	4,600	157	4,370	-	-100.00%	0.00%		-	-	
Total Transfers from Cash-Backed Reserves	9,106	9,106	6,830	9,106	6,830	-25.00%	-25.00%		4,553	2,277	
NET OPERATING SURPLUS/ (DEFICIT)	214,991	139,596	378,344	264,565	237,035	69.80%	-10.41%		294,282	336,596	

Capital Budget of the Waste Management Department

An amount of R117.9m for 2015/16, R179.5m for 2016/17 and R185m for the 2017/18 financial years have been provided for the Waste Management Department

The department has requested the following Capital Budget:

Department	Project Name	Capitalisation Investment Framework Category	CCA	Ward/s in which project is located	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
Waste Management	Air space development	Upgrading and Renewal	Tembisa 2	1	600,000	25,000,000	30,000,000
Waste Management	Develop Simmer & Jack Waste site	Upgrading and Renewal	Germiston	36	2,500,000	21,500,000	13,500,000
Waste Management	Development of the public offloading facilities/recycling	Upgrading and Renewal	Corporate	Multi Wards	-	25,000,000	25,000,000
Waste Management	Northmead Mini garden disposal site	Upgrading and Renewal	Benoni	27	800,000	-	-
Waste Management	Cloverdene Mini garden disposal site	Upgrading and Renewal	Benoni	24	800,000	-	-
Waste Management	Minnebron Mini garden disposal site	Upgrading and Renewal	Brakpan	31	800,000	-	-
Waste Management	Brenthurst Mini garden disposal site	Upgrading and Renewal	Brakpan	97	800,000	-	-
Waste Management	Modder East Mini Disposal Site	Upgrading and Renewal	Daveyton	71	800,000	-	-
Waste Management	Geduld Mini Disposal Site	Upgrading and Renewal	Springs	75	800,000	-	-
Waste Management	Welgedacht Mini Disposal Site	Upgrading and Renewal	Springs	75	800,000	-	-
Waste Management	Daggafontein Mini Disposal Site	Upgrading and Renewal	Springs	76	800,000	-	-
Waste Management	Dayen Glen Mini Disposal Site	Upgrading and Renewal	Boksburg	22	800,000	-	-
Waste Management	Lilianton Mini Disposal Site	Upgrading and Renewal	Boksburg	22	800,000	-	-
Waste Management	Reiger Park Mini Disposal Site 1	Upgrading and Renewal	Boksburg	34	800,000	-	-
Waste Management	Reiger Park Mini Disposal Site 2	Upgrading and Renewal	Boksburg	34	800,000	-	-
Waste Management	Vosloorus Mini Disposal Site 1	Upgrading and Renewal	Vosloorus	45	800,000	-	-
Waste Management	Vosloorus Mini Disposal Site 2	Upgrading and Renewal	Vosloorus	44	800,000	-	-
Waste Management	Vosloorus Mini Disposal Site 3	Upgrading and Renewal	Vosloorus	46	800,000	-	-
Waste Management	Vosloorus Mini Disposal Site 4	Upgrading and Renewal	Vosloorus	46	800,000	-	-
Waste Management	Vosloorus Mini Disposal Site 5	Upgrading and Renewal	Vosloorus	64	800,000	-	-
Waste Management	Leondale Mini Disposal Site	Upgrading and Renewal	Katlehong 1	41	800,000	-	-

EKURHULENI METROPOLITAN MUNICIPALITY – FINAL BUDGET 2015/16 TO 2017/18

Department	Project Name	Capitalisation Investment Framework Category	CCA	Ward/s in which project is located	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
Waste Management	Marlands Mini Disposal Site	Upgrading and Renewal	Germiston	21	800,000	-	-
Waste Management	PalmrIDGE Mini Disposal Site	Upgrading and Renewal	Thokoza	58	800,000	-	-
Waste Management	Clayville Mini disposal site	Upgrading and Renewal	Tembisa 2	89	800,000	-	-
Waste Management	Design of New Sites	Upgrading and Renewal	Corporate	Multi Wards	13,200,000	-	-
Waste Management	Development Weltevreden Waste Site	Upgrading and Renewal	Brakpan	97	5,080,000	-	-
Waste Management	Facilities, Upgrade and construction of facilities	Upgrading and Renewal	Corporate	Multi Wards	-	61,000,000	60,000,000
Waste Management	Facilities, Upgrade and construction of facilities: Kempton Park	Upgrading and Renewal	Kempton Park	16	9,100,000	-	-
Waste Management	Facilities, Upgrade and construction of facilities: Boksburg	Upgrading and Renewal	Boksburg	32	10,000,000	-	-
Waste Management	Facilities, Upgrade and construction of facilities: Germiston	Upgrading and Renewal	Germiston	36	10,000,000	-	-
Waste Management	ICT Equipment	Upgrading and Renewal	Operational Equipment	Operational Equipment	1,000,000	1,000,000	1,000,000
Waste Management	Installation Gas Flares & Wells	Upgrading and Renewal	Brakpan	97,99,76,36	2,000,000	-	-
Waste Management	Office Furniture	Upgrading and Renewal	Operational Equipment	Operational Equipment	400,000	500,000	500,000
Waste Management	Other Equipment	Upgrading and Renewal	Operational Equipment	Operational Equipment	300,000	500,000	500,000
Waste Management	Specialised Equipment	Upgrading and Renewal	Operational Equipment	Operational Equipment	500,000	4,000,000	4,000,000
Waste Management	Specialised Vehicles (less than 2 seats)	Upgrading and Renewal	Operational Equipment	Operational Equipment	35,000,000	32,000,000	38,000,000
Waste Management	Specialised Vehicles (more than 2 seats)	Upgrading and Renewal	Operational Equipment	Operational Equipment	2,500,000	3,000,000	3,500,000
Waste Management	Supply of Bulk Containers	Upgrading and Renewal	Corporate	Multi Wards	4,500,000	3,000,000	4,500,000
Waste Management	Supply of recycling bins	Upgrading and Renewal	Corporate	8, 17, 32, 35, 37, 73, 75, 89	-	3,000,000	4,500,000
Waste Management	Supply of recycling bins	Upgrading and Renewal	Alberton	37	562,500	-	-
Waste Management	Supply of recycling bins	Upgrading and Renewal	Benoni	73	562,500	-	-
Waste Management	Supply of recycling bins	Upgrading and Renewal	Boksburg	32	562,500	-	-
Waste Management	Supply of recycling bins	Upgrading and Renewal	Germiston	17,35	1,125,000	-	-

Department	Project Name	Capitalisation Investment Framework Category	CCA	Ward/s in which project is located	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
Waste Management	Supply of recycling bins	Upgrading and Renewal	Springs	75	562,500	-	-
Waste Management	Supply of recycling bins	Upgrading and Renewal	Tembisa 1	8	562,500	-	-
Waste Management	Supply of recycling bins	Upgrading and Renewal	Tembisa 2	89	562,500	-	-
					117,980,000	179,500,000	185,000,000

Expected outcomes from the implementation of the Capital Budget

The total requested Capital Budget of the department is R117.9 m. Some of the key projects on the 2015/16 financial year include:

- Development of Airspace in the Northern Areas
- Development of the public offloading facilities/recycling
- Procurement of specialised vehicles
- Facilities, upgrade and construction of facilities
- Procurement of Bulk Containers

2.10.31 WATER AND SANITATION

The result statements of the department is contained in the IDP in Annexure A.

Key Strategic Projects of the Water and Sanitation Department

PROJECT NAME	PROJECT DESCRIPTION
Rainwater harvesting network	The project aims to investigate options that can be implemented with a view to collecting rainwater for use in order to reduce potable water usage.
Water Loss Eradication Programme.	There are various projects within this programme, some of which are listed below: 1) Pipe replacement programme. 2) Metering of unmetered properties. 3) Domestic leak repairs and meter replacement in the Tsakane area. 4) Bulk metering audit and consolidation for top consumers. 5) Replacement of aged water meters
Enhance water management information and revenue system	This project is aimed at sourcing a management system that can be utilised to manage the distribution system with a view to manage revenue, identify losses and maintain infrastructure. The projects include: 1) Telemetry system. 2) Maintenance system. 3) Infrastructure Management Query Station (IMQS)

PROJECT NAME	PROJECT DESCRIPTION
Project <i>Xixima</i>	Implementation of sustainable sanitation solution in prioritised informal settlements.
Installation of services for low cost housing developments.	Installation of water services infrastructure in Palm Ridge, Masetjaba, Langeville extension 10 and Etwatwa extension 35.

Operating Budget of the Water and Sanitation Department

Bulk purchase of water comprises 51.47% (R2.9 billion) of the water services expenditure.

The waste water treatment services by Erwat comprise 11.5% of the total expenditure budget of water services. The amount provided on the 2015/16 budget for this service amounts to R569m. Erwat's motivation for this increase is the growth in flow and the need to extend and improve the various Waste Water Treatment Works.

To address critically required maintenance and the refurbishment of water and sewer infrastructure, a 3% maintenance levy, calculated as a percentage of total income was approved for the 2015/16 financial year.

The greatest challenge facing the department is the non-revenue water. Non-revenue water is currently at 37.8% and the department aims to reduce this through the implementation of additional repairs and maintenance works, the renewal of infrastructure as well as the installation of water meters in areas previously unmetered. Special provision is made on the 2015/16 Capital Budget for a water loss eradication project in order to reduce the water losses.

The Operating Budget per category is attached hereto.

Table 91 Operating Budget of the Water and Sanitation Department

EKURHULENI METROPOLITAN MUNICIPALITY											
WATER AND SANITATION											
FINANCIAL PERIOD	F00 R'000 ORG BUDGET	F00 R'000 ADJ BUDGET	F00 R'000 YEAR TO DATE	F00 R'000 PROJECTED	F01 R'000 2015/16	% B to B	% P to B	% Of Total	F02 R'000 2016/17	F03 R'000 2017/18	
INCOME											
Interest Earned - Outstanding Debtors	132,000	132,000	125,150	166,867	160,000	21.21%	-4.12%	2.59%	172,800	186,624	
Sub-total: PENALTIES AND INTEREST ON DEBTORS	132,000	132,000	125,150	166,867	160,000	21.21%	-4.12%	2.59%	172,800	186,624	
Sanitation Income	1,233,101	1,306,300	978,216	1,325,734	1,453,907	11.30%	9.67%	23.57%	1,588,176	1,727,555	
Departmental Usage	32,115	32,115	9,356	12,680	35,166	9.50%	177.33%	0.57%	38,506	41,972	
Less: Income foregone	269,905	269,905	201,196	269,905	299,325	10.90%	10.90%	4.85%	327,760	357,259	
Sub-total: NET SANITATION SALES	995,311	1,068,510	786,376	1,068,510	1,189,748	11.35%	11.35%	19.29%	1,298,922	1,412,268	
Water Sales	3,173,057	3,173,057	2,449,795	3,266,393	3,792,321	19.52%	16.10%	61.48%	4,171,553	4,546,993	
Departmental Usage	52,104	52,104	52,270	69,694	59,660	14.50%	-14.40%	0.97%	65,626	71,532	
Less: Income foregone	357,300	357,300	267,445	357,300	414,111	15.90%	15.90%	6.71%	455,522	496,519	
Sub-total: NET WATER SALES	2,867,861	2,867,861	2,234,620	2,978,787	3,437,870	19.88%	15.41%	55.73%	3,781,657	4,122,006	
Total: USER CHARGES FOR SERVICES	3,863,172	3,936,370	3,020,997	4,047,296	4,627,618	17.56%	14.34%	75.02%	5,080,578	5,534,274	
Disconnection Fees	73	73	32	42	157	114.89%	271.98%	0.00%	169	181	
Sub-Total: FINES	73	73	32	42	157	114.89%	271.98%	0.00%	169	181	
Equitable Share	916,000	916,000	916,000	916,000	938,061	2.41%	2.41%	15.21%	1,025,858	1,135,744	
National Operating Grant	234,551	234,551	143,683	234,551	247,706	5.61%	5.61%	4.02%	220,860	279,348	
Sub-Total: OPERATING GRANTS	1,150,550	1,150,550	1,059,683	1,150,550	1,185,767	3.06%	3.06%	19.22%	1,246,718	1,415,092	
USDG	174,617	314,345	142,943	298,628	190,600	-39.37%	-36.17%	3.09%	240,900	500,000	
Sub-Total: CAPITAL GRANTS	174,617	314,345	142,943	298,628	190,600	-39.37%	-36.17%	3.09%	240,900	500,000	
SUNDRY INCOME	2,679	2,679	3,883	5,338	4,303	60.63%	-19.40%	0.07%	4,539	4,789	
TOTAL OPERATING INCOME	5,323,092	5,536,018	4,352,688	5,668,721	6,168,444	11.42%	8.82%	100.00%	6,745,704	7,640,960	
Internal Recoveries	-	-	(468)	(624)	-	0.00%	0.00%	0.00%	-	-	
NET OPERATING INCOME	5,323,092	5,536,018	4,352,220	5,668,098	6,168,444	11.42%	8.83%	100.00%	6,745,704	7,640,960	

EKURHULENI METROPOLITAN MUNICIPALITY												
WATER AND SANITATION												
FINANCIAL PERIOD		F00 R'000	F00 R'000	F00 R'000	F00 R'000	F00 R'000	F01 R'000	% B to B	% P to B	% Of Total	F02 R'000	F03 R'000
EXPENDITURE		ORG BUDGET	ADJ BUDGET	YEAR TO DATE	PROJECTED	2015/16					2016/17	2017/18
Employee Related Costs - Salaries & Wages Employee Related Costs - Overtime Employee Related Costs - Social Contributions Less: Employee Related Costs - Salaries Capitalised Less :Employee Related Costs - Salaries to R and M Intern Sub-Total: REMUNERATION BAD DEBT PROVISION DEPRECIATION Repairs and Maintenance - External Contractors Repairs and Maintenance - Water Maintenance Levy Repairs and Maintenance - Internal Maintenance Teams Sub-Total: REPAIRS AND MAINTENANCE INTEREST ON EXTERNAL BORROWINGS Bulk Purchases - Electricity Bulk Purchases - Water Bulk Purchases - Sewer purification Bulk Purchases - Social/Educational/Sports Grants & Subsidies Paid - Free Basic Services - Indigents Sub-Total: Grants and Subsidies GENERAL EXPENSES OPERATING GRANTS EXPENDITURE TOTAL OPERATING EXPENDITURE Internal Charges NET OPERATING EXPENDITURE	220,441	215,217	164,435	230,632	241,320	12.13%	4.63%	4.87%		257,006	272,426	
	21,771	21,771	32,854	46,080	23,252	6.80%	-49.54%	0.47%		24,763	26,249	
	55,329	55,329	37,823	52,627	56,225	1.62%	6.84%	1.14%		59,879	63,472	
	(8,668)	(8,668)	-	(2,725)	(8,668)	0.00%	218.09%	-0.18%		(9,231)	(9,785)	
	(237,960)	(237,960)	(184,433)	(245,910)	(250,593)	5.31%	1.90%	-5.06%		(266,882)	(282,894)	
	50,913	45,690	50,679	80,704	61,536	34.68%	-23.75%	1.24%		65,536	69,468	
	72,566	72,566	54,425	72,566	149,771	106.39%	106.39%	3.03%		157,259	169,840	
	159,022	159,022	119,267	159,022	164,213	3.26%	3.26%	3.32%		169,139	175,059	
	107,640	224,206	74,980	162,128	222,331	-0.84%	37.13%	4.49%		244,564	269,020	
	87,645	87,645	15,941	34,470	95,350	8.79%	176.62%	1.93%		104,884	114,324	
	240,262	240,301	186,586	248,782	254,071	5.73%	2.13%	5.13%		270,586	286,821	
	435,548	552,153	277,508	445,379	571,751	3.55%	28.37%	11.55%		620,034	670,165	
	56,898	56,898	31,985	48,800	63,007	10.74%	29.11%	1.27%		70,883	79,743	
	540	540	-	-	583	8.00%	100.00%	0.01%		642	699	
	2,153,380	2,239,516	1,665,544	1,745,921	2,548,142	13.78%	45.95%	51.47%		2,802,956	3,055,222	
	513,474	513,474	381,573	1,007,069	569,443	10.90%	-43.46%	11.50%		623,540	679,659	
	2,667,395	2,753,530	2,047,117	2,752,990	3,118,168	13.24%	13.26%	62.98%		3,427,138	3,735,580	
41,835	41,835	16,860	27,755	42,940	2.64%	54.71%	0.87%		45,301	48,926		
7,200	21,200	8,480	12,584	22,155	4.50%	76.06%	0.45%		23,374	24,659		
73,431	73,431	39,746	58,979	83,516	13.74%	41.60%	1.69%		91,692	99,944		
80,631	94,631	48,227	71,563	105,671	11.67%	47.66%	2.13%		115,065	124,603		
48,188	43,469	20,225	37,683	49,674	14.27%	31.82%	1.00%		50,432	51,231		
234,551	234,551	143,683	358,935	247,706	5.61%	-30.99%	5.00%		220,860	269,348		
3,847,547	4,054,345	2,809,977	4,055,397	4,574,437	12.83%	12.80%	92.40%		4,941,647	5,393,963		
225,830	225,830	209,121	239,331	376,485	66.71%	57.31%	7.60%		409,743	445,853		
4,073,377	4,280,175	3,019,098	4,294,728	4,950,922	15.67%	15.28%	100.00%		5,351,391	5,839,816		
OPERATING SURPLUS/(DEFICIT) Contribution to Capital Budget Total Transfers to Cash-Backed Reserves Total Transfers from Cash-Backed Reserves NET OPERATING SURPLUS/ (DEFICIT)	1,249,715	1,255,843	1,333,122	1,373,370	1,217,522	-3.05%	-11.35%			1,394,314	1,801,145	
	174,617	314,345	142,943	298,628	190,600	-39.37%	-36.17%			240,900	500,000	
	113,000	113,000	84,750	113,000	130,000	15.04%	15.04%			150,000	250,000	
	66,855	66,855	50,142	66,855	50,142	-25.00%	-25.00%			33,428	16,714	
	1,028,953	895,353	1,155,571	1,028,598	947,063	5.78%	-7.93%			1,036,841	1,067,858	

Capital Budget of the Water and Sanitation Department

An amount of R512.1m for 2015/16, R508m for 2016/17 and R515m for the 2017/18 financial years have been provided for the Water and Sanitation Department

The department has requested the following Capital Budget:

Department	Project Name	Capitalisation Investment Framework Category	CCA	Ward/s in which project is located	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
Water & Sanitation	Mayfield Ext 1	Urban Restructuring	Benoni	60,66	18,000,000	-	-
Water & Sanitation	Etwatwa Ext 34,35&36 Essential	Urban Restructuring	Etwatwa	62,63,87	2,600,000	-	-
Water & Sanitation	Masetjaba Essential	Urban Restructuring	Nigel	88	3,000,000	-	-
Water & Sanitation	Xhosa And Zulu Pumpstation	Urban Restructuring	Brakpan	82,83,85	25,000,000	-	-
Water & Sanitation	Lillianton Outfall Sewer	Urban Restructuring	Boksburg	34,42	9,000,000	-	-
Water & Sanitation	Etwatwa Booster pumpstation	Urban Restructuring	Etwatwa	67	20,000,000	-	-
Water & Sanitation	Welgedacht/Paynville	Urban Restructuring	Springs	72,75	14,000,000	-	-
Water & Sanitation	RAND WATER TO PALM RIDGE	Urban Restructuring	Germiston	53, 58, 61, 101	10,000,000	-	-
Water & Sanitation	35ML RESERVOIR	Urban Restructuring	Thokoza	58	10,000,000	-	-
Water & Sanitation	NEW HOUSING ESSENTIAL	Urban Restructuring	Katlehong 2	61	10,000,000	-	-
Water & Sanitation	Zulu Xhosa reservoir	Upgrading and Renewal	Brakpan	82,83,85	19,000,000	9,000,000	-
Water & Sanitation	Etwatwa Ext19 Reservoir, Tower, access road and pipeline	Upgrading and Renewal	Etwatwa	67	19,000,000	48,000,000	-
Water & Sanitation	Benoni Depot	Urban Restructuring	Benoni	28,27,65,61,30, 66,72,29,59,60,	1,500,000	-	-
Water & Sanitation	Vosloorus Depot	Urban Restructuring	Vosloorus	44,61,95,64,60	1,500,000	-	-
Water & Sanitation	Tembisa Depot	Urban Restructuring	Tembisa 1	Multi Wards	1,500,000	-	-
Water & Sanitation	Tembisa Sewer	Urban Restructuring	Tembisa 1	Multi Wards	13,000,000	-	-
Water & Sanitation	Alberton Depot	Urban Restructuring	Alberton	37,59,40,51,52, 57,58,59,55,56	1,500,000	-	-
Water & Sanitation	Kempton Park Depot	Urban Restructuring	Kempton Park	Multi Wards	1,500,000	-	-
Water & Sanitation	Germiston Depot	Urban Restructuring	Germiston	21,34,35,22	1,500,000	-	-
Water & Sanitation	Brakpan Depot	Urban Restructuring	Brakpan	71,74,72,75,80, 97	1,500,000	-	-

EKURHULENI METROPOLITAN MUNICIPALITY – FINAL BUDGET 2015/16 TO 2017/18

Department	Project Name	Capitalisation Investment Framework Category	CCA	Ward/s in which project is located	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
Water & Sanitation	Nigel Depot	Urban Restructuring	Nigel	Multi Wards	1,500,000	-	-
Water & Sanitation	Etwatwa Sewer Upgrades	Upgrading and Renewal	Etwatwa	Multi Wards	13,000,000	20,000,000	30,000,000
Water & Sanitation	Alberton: Install new OF Huntersfield	Upgrading and Renewal	Alberton	40	500,000	5,000,000	-
Water & Sanitation	Office Furniture	Upgrading and Renewal	Corporate	Operational Equipment	300,000	-	-
Water & Sanitation	Buiding New and Upgrade Depot	Upgrading and Renewal	Corporate	All wards	-	10,000,000	-
Water & Sanitation	Thembisa Depot	Upgrading and Renewal	Tembisa 1	1	1,250,000	-	-
Water & Sanitation	Voslorus Depot	Upgrading and Renewal	Vosloorus	64	250,000	-	-
Water & Sanitation	Germiston Depot	Upgrading and Renewal	Germiston	36	1,325,000	-	-
Water & Sanitation	Springs Depot	Upgrading and Renewal	Springs	75	1,325,000	-	-
Water & Sanitation	Kempton Park Depot	Upgrading and Renewal	Kempton Park	17	1,050,000	-	-
Water & Sanitation	Brakpan Depot	Upgrading and Renewal	Brakpan	74	850,000	-	-
Water & Sanitation	Nigel Depot	Upgrading and Renewal	Nigel	88	1,950,000	-	-
Water & Sanitation	Edenvale: Illiondale Outfall sewer	Upgrading and Renewal	Edenvale	18	15,000,000	10,000,000	-
Water & Sanitation	Emergency Equipment at Depots	Upgrading and Renewal	Operational Equipment	Operational Equipment	2,500,000	2,500,000	-
Water & Sanitation	Germiston: Elsburg outfall sewer (H385) (P 2&3) C/F	Upgrading and Renewal	Germiston	Multi Wards	9,000,000	5,000,000	-
Water & Sanitation	Germiston: Upgrade and replace Dekema outfall sewer	Upgrading and Renewal	Germiston	Multi Wards	10,000,000	10,000,000	10,000,000
Water & Sanitation	ICT Equipment	Upgrading and Renewal	Operational Equipment	Operational Equipment	950,000	500,000	-
Water & Sanitation	Pomona: Bulk supply Albertina Sisulu	Economic Development	Kempton Park	100	27,000,000	27,000,000	20,000,000
Water & Sanitation	Pomona: New Eastern OF sewer	Economic Development	Kempton Park	100	34,000,000	30,000,000	30,000,000
Water & Sanitation	Replace and repair O/S Dawn Park	Upgrading and Renewal	Boksburg	43	2,500,000	-	-
Water & Sanitation	Reservoir Construction	Upgrading and Renewal	Corporate	Multi Wards	-	-	20,000,000
Water & Sanitation	Nigel water Tower	Upgrading and Renewal	Nigel	88	6,000,000	-	-
Water & Sanitation	Specialised vehicles	Upgrading and Renewal	Operational Equipment	Operational Equipment	4,000,000	4,000,000	13,000,000

EKURHULENI METROPOLITAN MUNICIPALITY – FINAL BUDGET 2015/16 TO 2017/18

Department	Project Name	Capitalisation Investment Framework Category	CCA	Ward/s in which project is located	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
Water & Sanitation	Specialized Equipment	Upgrading and Renewal	Operational Equipment	Operational Equipment	750,000	600,000	2,000,000
Water & Sanitation	Upgrade Sewer Networks	Upgrading and Renewal	Corporate	Multi Wards	-	-	30,000,000
Water & Sanitation	Eliminate Benoni Sewer Pumpstation	Upgrading and Renewal	Benoni	24	7,000,000	10,000,000	-
Water & Sanitation	Upgrade Water Networks	Upgrading and Renewal	Benoni	Multi Wards	-	20,000,000	20,000,000
Water & Sanitation	NIGEL BULK WATER UPGRADE	Upgrading and Renewal	Nigel	88	10,000,000	-	-
Water & Sanitation	Etswatwa BULK WATER UPGRADE	Upgrading and Renewal	Etswatwa	67	10,000,000	-	-
Water & Sanitation	Human Settlements Essential Services	Urban Restructuring	Corporate	Multi Wards	-	100,000,000	-
Water & Sanitation	Moderfontein 76 IR Ptn 7 E/tial SVC C F	Upgrading and Renewal	Daveyton	71	7,000,000	12,400,000	-
Water & Sanitation	Palm Ridge Phases 5 & 6 Bulk & Essential Services	Urban Restructuring	Katlehong 2	61	-	20,000,000	20,000,000
Water & Sanitation	Upgrade Outfall Sewers in Vosloorus C/F	Upgrading and Renewal	Vosloorus	Multi Wards	9,000,000	11,500,000	-
Water & Sanitation	Construction of Dawn Park Outfall Sewer	Upgrading and Renewal	Boksburg	42	3,000,000	-	-
Water & Sanitation	Water Loss Eradication	Economic Development	Corporate	All wards	-	130,000,000	320,000,000
Water & Sanitation	GERMISTON BVD WAT NET UPG	Economic Development	Germiston	36	2,000,000	-	-
Water & Sanitation	GERMISTON BVD WAT NET UPG	Economic Development	Germiston	93	2,000,000	-	-
Water & Sanitation	MIC BLOCKS NORTH EAST	Economic Development	Daveyton	68	1,500,000	-	-
Water & Sanitation	MIC BLOCKS NORTH EAST	Economic Development	Daveyton	69	1,500,000	-	-
Water & Sanitation	MIC BLOCKS NORTH EAST	Economic Development	Daveyton	70	1,500,000	-	-
Water & Sanitation	MIC BLOCKS NORTH EAST	Economic Development	Vosloorus	47	1,500,000	-	-
Water & Sanitation	MIC BLOCKS NORTH EAST	Economic Development	Edenvale	11	1,000,000	-	-
Water & Sanitation	MID BLOCK SOUTH WEST	Economic Development	Katlehong 2	63	4,500,000	-	-
Water & Sanitation	MID BLOCK SOUTH WEST	Economic Development	Thokoza	54	2,500,000	-	-
Water & Sanitation	METER PROCUREMENT	Economic Development	Kwa Thema	79	500,000	-	-
Water & Sanitation	METER PROCUREMENT	Economic Development	Kwa Thema	81	500,000	-	-
Water & Sanitation	METER PROCUREMENT	Economic Development	Tsakane	85	500,000	-	-
Water & Sanitation	METER PROCUREMENT	Economic Development	Duduza	86	500,000	-	-

EKURHULENI METROPOLITAN MUNICIPALITY – FINAL BUDGET 2015/16 TO 2017/18

Department	Project Name	Capitalisation Investment Framework Category	CCA	Ward/s in which project is located	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
Water & Sanitation	METER PROCUREMENT	Economic Development	Tsakane	99	500,000	-	-
Water & Sanitation	VALVE BOX PROCUREMENT TSAK	Economic Development	Kwa Thema	79	212,500	-	-
Water & Sanitation	VALVE BOX PROCUREMENT TSAK	Economic Development	Kwa Thema	81	382,500	-	-
Water & Sanitation	VALVE BOX PROCUREMENT TSAK	Economic Development	Tsakane	85	425,000	-	-
Water & Sanitation	VALVE BOX PROCUREMENT TSAK	Economic Development	Duduza	86	297,500	-	-
Water & Sanitation	VALVE BOX PROCUREMENT TSAK	Economic Development	Tsakane	99	382,500	-	-
Water & Sanitation	VALVES & FITTINGS TSAKANE	Economic Development	Kwa Thema	79	162,500	-	-
Water & Sanitation	VALVES & FITTINGS TSAKANE	Economic Development	Kwa Thema	81	292,500	-	-
Water & Sanitation	VALVES & FITTINGS TSAKANE	Economic Development	Tsakane	85	325,000	-	-
Water & Sanitation	VALVES & FITTINGS TSAKANE	Economic Development	Duduza	86	227,500	-	-
Water & Sanitation	VALVES & FITTINGS TSAKANE	Economic Development	Tsakane	99	292,500	-	-
Water & Sanitation	UNMETD AREAS METERING SW	Economic Development	Edenvale	12	2,100,000	-	-
Water & Sanitation	UNMETD AREAS METERING SW	Economic Development	Vosloorus	44	900,000	-	-
Water & Sanitation	UNMETD AREAS METERING SW	Economic Development	Vosloorus	45	600,000	-	-
Water & Sanitation	UNMETD AREAS METERING SW	Economic Development	Vosloorus	46	400,000	-	-
Water & Sanitation	UNMETD AREAS METERING NE	Economic Development	Etwatwa	67	1,700,000	-	-
Water & Sanitation	UNMETD AREAS METERING NE	Economic Development	Etwatwa	65	2,300,000	-	-
Water & Sanitation	AGED DOMC METERS SW DIST	Economic Development	Boksburg	All Wards SW	6,000,000	-	-
Water & Sanitation	AGED DOMC METERS NE DIST	Economic Development	Kempton Park	All Wards NE	7,900,000	-	-
Water & Sanitation	SCHOOLS LARGE METERS NORTH	Economic Development	Corporate	All Wards North	2,000,000	-	-
Water & Sanitation	SCHOOLS LARGE METERS SOUTH	Economic Development	Corporate	All Wards South	2,000,000	-	-
Water & Sanitation	SCHOOLS LARGE METERS EAST	Economic Development	Corporate	All Wards East	2,000,000	-	-
Water & Sanitation	COUN PROP LARGE MET NORTHERN	Economic Development	Kempton Park	All Wards North	2,000,000	-	-
Water & Sanitation	COUN PROP LARGE MET EASTERN	Economic Development	Benoni	AILL WARDS E	2,000,000	-	-
Water & Sanitation	COUNCIL PROPERTIES SOUTH	Economic Development	Germiston	ALL WARDS S	2,000,000	-	-
Water & Sanitation	BULK MET CONS KEMPTON PARK	Economic Development	Kempton Park	13	2,000,000	-	-

EKURHULENI METROPOLITAN MUNICIPALITY – FINAL BUDGET 2015/16 TO 2017/18

Department	Project Name	Capitalisation Investment Framework Category	CCA	Ward/s in which project is located	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
Water & Sanitation	BULK MET CONS KEMPTON PARK	Economic Development	Kempton Park	17	2,000,000	-	-
Water & Sanitation	BULK MET CONS KEMPTON PARK	Economic Development	Tembisa 2	1	2,000,000	-	-
Water & Sanitation	BULK MET CONS KEMPTON PARK	Economic Development	Tembisa 2	2	2,000,000	-	-
Water & Sanitation	BULK MET CONS (BMC) BENONI	Economic Development	Benoni	24	2,000,000	-	-
Water & Sanitation	BULK MET CONS (BMC) BENONI	Economic Development	Daveyton	69	2,000,000	-	-
Water & Sanitation	BULK MET CONS (BMC) BENONI	Economic Development	Daveyton	70	2,000,000	-	-
Water & Sanitation	BULK MET CONS (BMC) BENONI	Economic Development	Daveyton	71	2,000,000	-	-
Water & Sanitation	BULK MET CONS (BMC) BENONI	Economic Development	Benoni	29	2,000,000	-	-
Water & Sanitation	BMC BRAKPAN SPRINGS NIGEL	Economic Development	Brakpan	74	2,000,000	-	-
Water & Sanitation	BMC BRAKPAN SPRINGS NIGEL	Economic Development	Springs	75	2,000,000	-	-
Water & Sanitation	BMC BRAKPAN SPRINGS NIGEL	Economic Development	Springs	76	2,000,000	-	-
Water & Sanitation	MBC BOKSBURG/EDENVAL	Economic Development	Edenvale	18	2,000,000	-	-
Water & Sanitation	MBC BOKSBURG/EDENVAL	Economic Development	Edenvale	19	2,000,000	-	-
Water & Sanitation	MBC BOKSBURG/EDENVAL	Economic Development	Edenvale	12	2,000,000	-	-
Water & Sanitation	BMC GERMISTON: WADEVILLE	Economic Development	Germiston	35	2,000,000	-	-
Water & Sanitation	BMC GERMISTON: WADEVILLE	Economic Development	Germiston	36	2,000,000	-	-
Water & Sanitation	BMC GERMISTON: WADEVILLE	Economic Development	Alberton	39	2,000,000	-	-
Water & Sanitation	BMC GERMISTON: WADEVILLE	Economic Development	Germiston	40	2,000,000	-	-
Water & Sanitation	BULK METER CONSOL ALBERTO	Economic Development	Alberton	94	1,100,000	-	-
Water & Sanitation	METERS SW DIST REFURBISH	Economic Development	Boksburg	All Wards SW	15,000,000	-	-
Water & Sanitation	METERS NE DIST REFURBISH	Economic Development	Kempton Park	All Wards NE	15,000,000	-	-
Water & Sanitation	Pressure Management	Economic Development	Kempton Park	13	500,000	-	-
Water & Sanitation	Pressure Management	Economic Development	Kempton Park	15	500,000	-	-
Water & Sanitation	Pressure Management	Economic Development	Kempton Park	16	500,000	-	-
Water & Sanitation	Pressure Management	Economic Development	Kempton Park	91	500,000	-	-
Water & Sanitation	Pressure Management	Economic Development	Boksburg	43	500,000	-	-
Water & Sanitation	Pressure Management	Economic Development	Vosloorus	45	500,000	-	-

EKURHULENI METROPOLITAN MUNICIPALITY – FINAL BUDGET 2015/16 TO 2017/18

Department	Project Name	Capitalisation Investment Framework Category	CCA	Ward/s in which project is located	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
Water & Sanitation	Pressure Management	Economic Development	Germiston	21	500,000	-	-
Water & Sanitation	Pressure Management	Economic Development	Germiston	35	1,000,000	-	-
Water & Sanitation	Pressure Management	Economic Development	Boksburg	42	1,250,000	-	-
Water & Sanitation	Pressure Management	Economic Development	Germiston	93	1,250,000	-	-
Water & Sanitation	Valve Assessment	Economic Development	Kempton Park	13	300,000	-	-
Water & Sanitation	Valve Assessment	Economic Development	Kempton Park	15	300,000	-	-
Water & Sanitation	Valve Assessment	Economic Development	Kempton Park	16	300,000	-	-
Water & Sanitation	Valve Assessment	Economic Development	Kempton Park	91	300,000	-	-
Water & Sanitation	Valve Assessment	Economic Development	Boksburg	43	300,000	-	-
Water & Sanitation	Valve Assessment	Economic Development	Vosloorus	45	300,000	-	-
Water & Sanitation	Valve Assessment	Economic Development	Germiston	21	300,000	-	-
Water & Sanitation	Valve Assessment	Economic Development	Germiston	35	300,000	-	-
Water & Sanitation	Valve Assessment	Economic Development	Boksburg	42	300,000	-	-
Water & Sanitation	Valve Assessment	Economic Development	Germiston	93	300,000	-	-
Water & Sanitation	Cathodic Protection of Steel Pipelines	Economic Development	Alberton	37	100,000	-	-
Water & Sanitation	Cathodic Protection of Steel Pipelines	Economic Development	Alberton	38	100,000	-	-
Water & Sanitation	Cathodic Protection of Steel Pipelines	Economic Development	Alberton	53	100,000	-	-
Water & Sanitation	Cathodic Protection of Steel Pipelines	Economic Development	Thokoza	52	100,000	-	-
Water & Sanitation	Cathodic Protection of Steel Pipelines	Economic Development	Thokoza	54	100,000	-	-
Water & Sanitation	Telemetry	Upgrading and Renewal	Corporate	Multi Wards	8,000,000	-	-
Water & Sanitation	Water and Sanitation: Emergency services	Urban Restructuring	Corporate	Multi Wards	-	20,000,000	-
Water & Sanitation	Water Services Vehicles	Upgrading and Renewal	Operational Equipment	Operational Equipment	3,000,000	2,500,000	-
					512,100,000	508,000,000	515,000,000

Expected outcomes from the implementation of the Capital Budget

The mission of the department is the provision and management of water services in an effective, efficient, affordable, equitable and sustainable manner, applying appropriate standards and the optimal utilisation of resources, guided by the principles of Batho Pele

whilst taking into consideration the environment, developmental needs and services backlog of the communities.

The human settlement programme budget will be implemented to achieve a set SDBIP target of servicing **3 660 low cost housing** developments with water, sanitation and toilets structures in the 2015/16 financial year. Palm Ridge area developments have been budgeted for separately because of the extend of the bulk services in the form of the 30 Ml water reservoir, water pump stations, bulk water pipeline from the rand water pipeline and the outfall sewer pipelines. The construction of the toilets structures, water and sewer reticulation network also form part of the budget even though they will be completed in future financial year.

To address the decent sanitation provision within informal settlements, the department has planned to install water borne ablution facilities at **20 informal settlements**. It is anticipated that the Capital Budget will facilitate the appointment of **4 300 job opportunities**.

To support the Aerotropolis master plan, the department has initiated the Pomona outfall sewer as well as the Pomona bulk water supply projects to make it possible for the developments within the area to be realised. To further develop the city, water and sanitation has budgeted for the construction of water and sanitation infrastructure at Glen Gory development.

In the previous financial year the Auditor General of South Africa has placed an emphasis of the high water losses of the municipality. It has been the strategic intent of the municipality to reduce the water losses to acceptable international standards. To ensure that the water losses are addressed, the water demand management strategy was adopted and the department developed the water loss eradication plan. The programme of water loss eradication has commenced with implementation during the current financial year 2013/14. This programme encapsulates 17 projects such as metering industrial areas, water pipe replacement, metering of unmetered households, water management awareness campaigns and leak repairs to name but a few. It is planned that **21 000 water meters** are to be installed on properties that are not metered. The programme outcomes of achieving a **reduction of non-revenue water to 36.6%** is included in the department's predetermined objectives as outlined on the attached SDBIP document.

The total budget for the department is R512.1m. Some of the big projects to be implemented on the 2015/16 financial year include:

- The installation of bulk and internal services required for the Palm Ridge phases 5 & 6 (Ext 9) development areas.
- The upgrade of outfall sewers and cathodic protection in Vosloorus.
- The bulk supply of the Albertina Sisulu Corridor in Pomona and R50m for the Eastern outfall sewer in Pomona.
- Water Loss Eradication Programme – R150m

2.10.32 BUDGET OF ERWAT

Key Strategic Projects of ERWAT

The Erwat Board approved a strategy at its strategic planning session and the following key strategic projects were identified:

The above was reduced to two clear strategic objectives namely:

- 19 Green Drop Awards.

- R200 m revenue from other activities.

19 GREEN DROP AWARDS

In order to achieve the strategic objective of 19 Green Drop Awards the Erwat Capital Budget has been reassessed and prioritised to be able to achieve this objective. It is however clear that the timeframe for achieving this objective is quite long and the current target is 10 Green Drop Awards by 2017.

The capital schedule indicates total need of R2.09 billion over the three years ending 30 June 2018. Of this, finance to the amount of R235 m is already available but finance, through loans, grants and development contributions of R1.855 billion must be obtained to enable Erwat to complete these projects. The capital need for 2015/16 of R649.7 m.

MAINTENANCE

In order to further support the strategic objective of 19 Green Drop Awards the maintenance budget has been increased from R99.09 m in 2015 to R112.17 m in 2016 (an increase of 13%). This is necessary to facilitate the refurbishment of some plants and to ensure the effective operation of all plants in order to comply with required standards and ultimately obtaining Green Drop status for the plants.

EXTERNAL BUSINESS

The second strategic objective agreed on was the increase of Erwat external business to a turnover of R200 m over the next three years.

The budget used as a target for external business is R125.42 m (28%) higher than the previous budget of R97.98 m to support this strategic objective.

Operating Budget of Erwat

The assumptions and guidelines used in compiling the draft budget are as follows:

EXPENDITURE	Suggested increase 2015/2016	Increase 2014/2015
Manpower (Ave CPI* +1,25)	7%	23.60%
Electricity	13%	15%
Chemicals	8%	7%
Other costs (CPI minus 1%)	4.50%	5.70%
CPI estimate 4.5%		

INCOME	Suggested increase 2015/2016	Increase 2014/2015
Revenue growth		
User charges	9.5%	10%
External business	28%	18%

The bulk sewer purification costs budgeted by EMM is therefore based on the 9, 5% increase as indicated above.

Table 92 Budget of Erwat

ERWAT										
FINANCIAL PERIOD										
	F00 R'000	F00 R'000	F00 R'000	F00 R'000	F00 R'000	F01 R'000	% B to B	% P to B	% Of Total	F03 R'000 2017/18
INCOME										
Water Sales	525,601	525,601	525,601	438,001	525,601	575,533	9.50%	9.50%	76.16%	717,654
Sub-total: NET WATER SALES	525,601	525,601	525,601	438,001	525,601	575,533	9.50%	9.50%	76.16%	717,654
Total: USER CHARGES FOR SERVICES	525,601	525,601	525,601	438,001	525,601	575,533	9.50%	9.50%	76.16%	717,654
INTEREST EARNED ON INVESTMENTS	2,632	2,632	2,632	113	2,632	3,220	22.36%	22.36%	0.43%	3,629
Capital Grants - Other	50,000	50,000	50,000	50,000	50,000	50,000	0.00%	0.00%	6.62%	-
Sub-Total: CAPITAL GRANTS	50,000	50,000	50,000	50,000	50,000	50,000	0.00%	0.00%	6.62%	-
SUNDRY INCOME	97,975	97,975	97,975	75,563	84,828	126,924	29.55%	49.63%	16.80%	165,622
TOTAL OPERATING INCOME	676,207	676,207	676,207	563,677	663,060	755,677	11.75%	13.97%	100.00%	886,906
NET OPERATING INCOME	676,207	676,207	676,207	563,677	663,060	755,677	11.75%	13.97%	100.00%	886,906
EXPENDITURE										
Employee Related Costs - Salaries & Wages	233,771	233,771	233,771	171,016	213,871	250,231	7.04%	17.00%	35.46%	283,713
Remuneration of Councillors	1,567	1,567	1,075	1,250	1,567	1,437	33.66%	-8.30%	0.20%	1,592
Sub-Total: REMUNERATION	235,338	234,846	234,846	172,266	215,438	251,668	7.16%	16.82%	35.66%	285,305
BAD DEBT PROVISION	129	129	129	69	286	269	108.35%	-6.03%	0.04%	282
Repairs and Maintenance - External Contractors	31,919	31,919	31,919	26,763	29,681	33,077	3.63%	11.44%	4.69%	46,038
Repairs and Maintenance - Electricity Maintenance Levy	99,094	99,094	99,094	51,466	69,384	112,169	13.19%	61.66%	15.90%	201,995
Sub-Total: REPAIRS AND MAINTENANCE	131,013	131,013	131,013	78,229	99,065	145,246	10.86%	46.62%	20.58%	248,033
INTEREST ON EXTERNAL BORROWINGS	31,499	31,499	31,499	14,859	31,499	49,154	56.05%	56.05%	6.97%	55,195
Bulk Purchases - Sewer purification	161,666	161,666	161,666	107,917	157,500	184,539	14.15%	17.17%	26.15%	220,171
Sub-Total: BULK PURCHASES	161,666	161,666	161,666	107,917	157,500	184,539	14.15%	17.17%	26.15%	220,171
GENERAL EXPENSES	66,563	67,054	67,054	58,256	63,601	74,801	11.55%	17.61%	10.60%	77,920
TOTAL OPERATING EXPENDITURE	626,207	626,207	626,207	431,596	567,389	705,677	12.69%	24.37%	100.00%	886,906
NET OPERATING EXPENDITURE	626,207	626,207	626,207	431,596	567,389	705,677	12.69%	24.37%	100.00%	886,906
OPERATING SURPLUS/(DEFICIT)	50,000	50,000	50,000	132,081	95,671	50,000	0.00%	-47.74%	-	-
NET OPERATING SURPLUS/ (DEFICIT)	50,000	50,000	50,000	132,081	95,671	50,000	0.00%	-47.74%	-	-

2.11 Contracts having future budgetary implications

In terms of the metro's Supply Chain Management Policy, no contracts are awarded beyond the medium-term revenue and expenditure framework (three years). In ensuring adherence to this contractual time frame limitation, all reports submitted to either the Bid Evaluation or Adjudication Committees must obtain formal financial comments from the Financial Management Division of the Treasury Department.

2.12 Capital expenditure details

The following three tables present details of the metro's capital expenditure programme, firstly on new assets, then the renewal of assets and finally on the repair and maintenance of assets.

Table 93 MBRR SA 34a - capital expenditure on new assets by asset class

Eku Ekurhuleni Metro - Supporting Table SA34a Capital expenditure on new assets by asset class									
Description	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
R thousand	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
Capital expenditure on new assets by Asset Class/Sub-class									
Infrastructure	634,556	920,563	1,259,219	1,691,519	1,765,714	1,677,429	1,685,934	2,227,489	2,117,344
Infrastructure - Road transport	86,786	408,772	551,047	748,851	887,875	843,481	771,334	943,389	1,070,544
Roads, Pavements & Bridges	86,786	408,772	551,047	748,851	887,875	843,481	771,334	943,389	1,070,544
Infrastructure - Electricity	269,673	104,449	239,441	454,850	396,350	376,533	420,000	608,800	588,800
Transmission & Reticulation	240,598	87,263	221,353	437,600	377,100	358,245	386,000	545,800	525,800
Street Lighting	29,075	17,186	18,088	17,250	19,250	18,288	34,000	63,000	63,000
Infrastructure - Water	8,956	146,756	219,756	302,600	319,972	303,973	195,000	307,000	320,000
Reticulation	8,956	146,756	219,756	302,600	319,972	303,973	195,000	307,000	320,000
Infrastructure - Sanitation	75,797	65,196	70,591	79,017	73,617	69,937	175,600	77,000	70,000
Sewerage purification	75,797	65,196	70,591	79,017	73,617	69,937	175,600	77,000	70,000
Infrastructure - Other	193,344	195,390	178,384	106,200	87,900	83,505	124,000	291,300	68,000
Waste Management	15,942	29,915	36,980	-	-	-	-	-	-
Transportation	33,634	45,543	30,333	63,000	46,500	44,175	66,000	41,800	44,000
Other	143,768	119,932	111,071	43,200	41,400	39,330	58,000	249,500	24,000
Community	131,651	139,856	97,455	103,050	93,187	88,528	106,200	125,711	146,000
Parks & gardens	18,861	41,265	20,871	20,600	10,700	10,165	3,500	3,800	13,800
Sportsfields & stadia	334	3,000	14,957	-	-	-	-	-	-
Community halls	-	-	-	-	-	-	-	16,000	20,000
Libraries	18,218	15,169	2,235	26,650	25,650	24,368	24,200	19,911	18,000
Recreational facilities	484	6,065	-	4,000	2,590	2,461	27,000	15,000	-
Clinics	86,973	44,936	43,990	31,500	33,220	31,559	50,500	71,000	94,200
Museums & Art Galleries	6,781	21,236	15,402	16,800	19,527	18,551	1,000	-	-
Other	-	8,184	-	3,500	1,500	1,425	-	-	-
Investment properties	52,934	64,587	15,174	196,800	287,556	273,179	481,920	547,580	294,390
Housing development	52,934	64,587	15,174	196,800	287,556	273,179	481,920	547,580	294,390
Other assets	129,907	139,171	56,465	152,200	141,252	134,189	227,029	278,100	753,500
Plant & equipment	2,645	17,628	-	-	-	-	-	-	-
Furniture and other office equipment	3,307	44,357	-	-	-	-	-	-	-
Markets	4,125	101	16,872	-	-	-	-	-	-
Other Land	54,712	61,995	39,593	150,700	136,752	129,914	227,029	278,100	753,500
Other	65,118	15,091	-	1,500	4,500	4,275	-	-	-
Total Capital Expenditure on new assets	949,047	1,264,177	1,428,313	2,143,569	2,287,710	2,173,324	2,501,083	3,178,880	3,311,234

Table 94 MBRR SA34b - capital expenditure on the renewal of existing assets by asset class

Eku Ekurhuleni Metro - Supporting Table SA34b Capital expenditure on the renewal of existing assets by asset class									
Description	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
R thousand	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
Capital expenditure on renewal of existing assets by Asset Class/Sub-class									
Infrastructure	720,695	631,881	505,448	756,430	644,465	612,242	1,104,764	1,073,677	1,061,117
Infrastructure - Road transport	223,653	147,490	221,913	286,450	200,650	190,618	432,510	347,300	317,000
Roads, Pavements & Bridges	223,653	147,490	221,913	286,450	200,650	190,618	432,510	347,300	317,000
Infrastructure - Electricity	100,456	271,666	117,248	102,150	112,150	106,543	88,000	110,200	110,200
Transmission & Reticulation	100,456	271,666	117,248	93,250	103,250	98,088	88,000	110,200	110,200
Street Lighting	-	-	-	8,900	8,900	8,455	-	-	-
Infrastructure - Water	268,125	76,726	36,688	22,100	19,176	18,217	34,000	20,000	40,000
Reticulation	268,125	76,726	36,688	22,100	19,176	18,217	34,000	20,000	40,000
Infrastructure - Sanitation	28,654	47,023	45,809	48,200	40,061	38,058	92,500	101,500	85,000
Sewerage purification	28,654	47,023	45,809	48,200	40,061	38,058	92,500	101,500	85,000
Infrastructure - Other	99,807	88,976	83,790	297,530	272,428	258,807	457,754	494,677	508,917
Waste Management	46,848	25,182	17,390	72,500	46,879	44,535	78,280	138,500	137,500
Transportation	28,831	12,306	4,832	30,000	-	-	46,600	50,000	35,000
Other	24,129	51,487	61,567	195,030	225,549	214,272	332,874	306,177	336,417
Community	67,406	80,575	183,803	168,000	193,500	183,825	271,400	173,300	285,000
Parks & gardens	6,503	2,262	21,223	31,600	52,991	50,342	84,000	88,500	92,000
Sportsfields & stadia	15,200	23,440	44,759	-	-	-	4,450	2,000	5,000
Community halls	-	-	-	-	-	-	50,000	-	-
Libraries	1,855	1,144	14,712	6,000	5,000	4,750	5,000	8,000	9,000
Recreational facilities	5,500	11,557	38,408	20,000	20,359	19,341	20,550	24,000	25,000
Security and policing	-	-	4,923	-	9,070	8,617	2,600	3,400	13,500
Buses	-	1,640	11,623	40,000	40,000	38,000	40,000	-	80,000
Clinics	1,002	34,833	27,775	41,900	40,080	38,076	26,100	37,400	42,000
Museums & Art Galleries	29,936	2,368	2,626	21,000	19,000	18,050	38,700	10,000	18,500
Other	7,411	3,331	17,754	7,500	7,000	6,650	-	-	-
Investment properties	-	-	37,456	82,000	-	-	37,212	-	-
Housing development	-	-	37,456	82,000	-	-	37,212	-	-
Other assets	263,866	393,804	457,282	640,367	685,274	651,011	557,104	532,172	525,094
General vehicles	113,100	131,143	141,925	204,908	237,420	225,549	198,750	201,450	199,240
Specialised vehicles	51,168	108,563	36,628	48,517	48,517	46,091	35,000	32,000	38,000
Plant & equipment	16,699	1,494	33,803	34,577	47,426	45,054	39,030	60,470	97,240
Furniture and other office equipment	29,637	-	51,807	104,971	110,816	105,275	59,424	67,412	65,314
Markets	-	11,735	-	13,000	13,000	12,350	-	-	-
Other Land	41,336	137,481	157,819	211,395	223,066	211,913	224,900	170,840	125,300
Other	11,925	3,388	35,299	23,000	5,030	4,779	-	-	-
Total Capital Expenditure on renewal of existing assets	1,051,967	1,106,260	1,183,988	1,646,797	1,523,240	1,447,078	1,970,480	1,779,148	1,871,211
Specialised vehicles	51,168	108,563	36,628	48,517	48,517	46,091	35,000	32,000	38,000
Refuse	51,168	69,856	36,628	48,517	48,517	46,091	35,000	32,000	38,000
Fire	-	-	-	-	-	-	-	-	-
Conservancy	-	-	-	-	-	-	-	-	-
Ambulances	-	38,707	-	-	-	-	-	-	-
Renewal of Existing Assets as % of total capex	52.6%	46.7%	45.3%	43.4%	40.0%	40.0%	44.1%	35.9%	36.1%
Renewal of Existing Assets as % of deprecn"	53.0%	52.0%	59.8%	115.0%	106.4%	101.1%	121.0%	96.3%	85.1%

Table 95 MBRR SA34c - repairs and maintenance expenditure by asset class

Eku Ekurhuleni Metro - Supporting Table SA34c Repairs and maintenance expenditure by asset class									
Description	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
R thousand	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
Repairs and maintenance expenditure by Asset Class/Sub-class									
Infrastructure	1,377,514	846,272	972,855	1,768,203	1,885,282	1,706,480	2,047,175	2,239,368	2,445,979
Infrastructure - Road transport	392,310	228,239	248,973	477,973	477,486	279,767	540,535	588,821	640,689
Roads, Pavements & Bridges	360,101	206,858	240,419	441,082	432,495	232,117	483,981	527,743	574,882
Storm water	32,209	21,381	8,554	36,891	44,991	47,649	56,554	61,077	65,807
Infrastructure - Electricity	582,466	401,513	465,127	795,636	796,610	920,828	883,107	974,694	1,074,943
Transmission & Reticulation	534,461	386,003	448,503	736,695	737,669	850,550	820,889	907,541	1,002,674
Street Lighting	48,005	15,510	16,624	58,941	58,941	70,278	62,217	67,152	72,270
Infrastructure - Water	263,802	133,551	113,380	343,483	371,713	293,907	374,350	405,760	437,955
Reticulation	263,802	133,551	113,380	343,483	371,713	293,907	374,350	405,760	437,955
Infrastructure - Sanitation	85,982	25,655	89,576	83,103	171,465	140,319	187,805	203,804	220,800
Reticulation	85,982	25,655	89,576	83,103	171,465	140,319	187,805	203,804	220,800
Infrastructure - Other	52,953	57,315	55,799	68,007	68,007	71,659	61,379	66,289	71,592
Waste Management	52,953	57,315	55,799	68,007	68,007	71,659	61,379	66,289	71,592
Community	43,852	51,307	65,264	85,528	98,176	116,580	109,173	149,124	159,209
Parks & gardens	11,968	15,260	14,490	19,661	19,661	26,413	10,541	11,357	12,241
Sportsfields & stadia	2,361	2,452	3,088	7,908	8,192	4,451	2,650	2,796	2,950
Swimming pools	649	521	430	569	1,389	1,623	780	823	868
Community halls	5,846	4,460	4,983	5,814	6,322	9,474	6,201	6,542	6,902
Libraries	1,815	718	734	982	1,556	2,452	1,210	1,276	1,347
Recreational facilities	160	127	108	156	137	161	105	111	117
Fire, safety & emergency	1,400	882	13,517	14,409	23,409	20,778	17,554	18,520	19,538
Security and policing	276	117	318	526	526	-	558	589	621
Buses	12,743	10,188	11,496	16,558	16,558	24,646	33,654	68,670	73,470
Clinics	10	650	337	-	1,181	2,918	835	881	930
Museums & Art Galleries	5	283	109	-	-	224	920	971	1,024
Cemeteries	972	-	-	-	-	-	12,122	13,335	14,668
Social rental housing	5,647	15,649	15,655	18,944	19,244	23,440	22,041	23,254	24,533
Heritage assets	100,420	90,443	109,921	229,015	222,895	173,605	234,166	266,757	286,703
Other	100,420	90,443	109,921	229,015	222,895	173,605	234,166	266,757	286,703
Investment properties	22,401	25,615	26,772	26,638	26,638	33,424	30,239	33,868	37,932
Other	22,401	25,615	26,772	26,638	26,638	33,424	30,239	33,868	37,932
Other assets	193,002	158,410	161,470	245,830	246,583	315,262	298,862	321,357	343,416
General vehicles	70,750	58,060	60,408	106,677	105,208	118,549	117,805	127,083	136,978
Specialised vehicles	35,675	33,197	33,089	47,688	47,679	64,541	50,386	54,069	57,982
Computers - hardware/equipment	67,071	48,830	48,763	72,525	72,075	102,294	108,000	113,940	120,207
Furniture and other office equipment	16,641	17,689	18,749	18,129	19,496	27,720	21,877	25,427	27,365
Civic Land and Buildings	2,865	635	461	810	2,126	2,158	794	838	884
Total Repairs and Maintenance Expenditure	1,737,189	1,172,046	1,336,283	2,355,214	2,479,574	2,345,351	2,719,615	3,010,473	3,273,238
Specialised vehicles	35,675	33,197	33,089	47,688	47,679	64,541	50,386	54,069	57,982
Refuse	28,373	27,124	26,841	37,087	37,110	51,647	38,888	41,913	45,145
Fire	7,301	6,073	6,247	10,602	10,569	10,693	10,045	10,621	11,217
Conservancy	-	-	-	-	-	-	-	-	-
Ambulances	-	-	-	-	-	2,200	1,454	1,535	1,620
R&M as a % of PPE	4.1%	2.7%	3.1%	4.7%	5.0%	5.4%	5.9%	6.1%	6.3%
R&M as % Operating Expenditure	8.7%	5.5%	5.8%	9.0%	9.4%	9.1%	9.3%	9.3%	9.2%

Table 96 MBRR SA35 - future financial implications of the Capital Budget

Eku Ekurhuleni Metro - Supporting Table SA34c Repairs and maintenance expenditure by asset class									
Description	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
R thousand	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
Repairs and maintenance expenditure by Asset Class/Sub-class									
Infrastructure	1,377,514	846,272	972,855	1,768,203	1,885,282	1,706,480	2,047,175	2,239,368	2,445,979
Infrastructure - Road transport	392,310	228,239	248,973	477,973	477,486	279,767	540,535	588,821	640,689
Roads, Pavements & Bridges	360,101	206,858	240,419	441,082	432,495	232,117	483,981	527,743	574,882
Storm water	32,209	21,381	8,554	36,891	44,991	47,649	56,554	61,077	65,807
Infrastructure - Electricity	582,466	401,513	465,127	795,636	796,610	920,828	883,107	974,694	1,074,943
Transmission & Reticulation	534,461	386,003	448,503	736,695	737,669	850,550	820,889	907,541	1,002,674
Street Lighting	48,005	15,510	16,624	58,941	58,941	70,278	62,217	67,152	72,270
Infrastructure - Water	263,802	133,551	113,380	343,483	371,713	293,907	374,350	405,760	437,955
Reticulation	263,802	133,551	113,380	343,483	371,713	293,907	374,350	405,760	437,955
Infrastructure - Sanitation	85,982	25,655	89,576	83,103	171,465	140,319	187,805	203,804	220,800
Reticulation	85,982	25,655	89,576	83,103	171,465	140,319	187,805	203,804	220,800
Infrastructure - Other	52,953	57,315	55,799	68,007	68,007	71,659	61,379	66,289	71,592
Waste Management	52,953	57,315	55,799	68,007	68,007	71,659	61,379	66,289	71,592
Community	43,852	51,307	65,264	85,528	98,176	116,580	109,173	149,124	159,209
Parks & gardens	11,968	15,260	14,490	19,661	19,661	26,413	10,541	11,357	12,241
Sportsfields & stadia	2,361	2,452	3,088	7,908	8,192	4,451	2,650	2,796	2,950
Swimming pools	649	521	430	569	1,389	1,623	780	823	868
Community halls	5,846	4,460	4,983	5,814	6,322	9,474	6,201	6,542	6,902
Libraries	1,815	718	734	982	1,556	2,452	1,210	1,276	1,347
Recreational facilities	160	127	108	156	137	161	105	111	117
Fire, safety & emergency	1,400	882	13,517	14,409	23,409	20,778	17,554	18,520	19,538
Security and policing	276	117	318	526	526	-	558	589	621
Buses	12,743	10,188	11,496	16,558	16,558	24,646	33,654	68,670	73,470
Clinics	10	650	337	-	1,181	2,918	835	881	930
Museums & Art Galleries	5	283	109	-	-	224	920	971	1,024
Cemeteries	972	-	-	-	-	-	12,122	13,335	14,668
Social rental housing	5,647	15,649	15,655	18,944	19,244	23,440	22,041	23,254	24,533
Heritage assets	100,420	90,443	109,921	229,015	222,895	173,605	238,144	270,953	291,130
Other	100,420	90,443	109,921	229,015	222,895	173,605	238,144	270,953	291,130
Investment properties	22,401	25,615	26,772	26,638	26,638	33,424	30,239	33,868	37,932
Other	22,401	25,615	26,772	26,638	26,638	33,424	30,239	33,868	37,932
Other assets	193,002	158,410	161,470	245,830	246,583	315,262	294,884	317,160	338,989
General vehicles	70,750	58,060	60,408	106,677	105,208	118,549	113,827	122,886	132,551
Specialised vehicles	35,675	33,197	33,089	47,688	47,679	64,541	50,386	54,069	57,982
Computers - hardware/equipment	67,071	48,830	48,763	72,525	72,075	102,294	108,000	113,940	120,207
Furniture and other office equipment	16,641	17,689	18,749	18,129	19,496	27,720	21,877	25,427	27,365
Civic Land and Buildings	2,865	635	461	810	2,126	2,158	794	838	884
Total Repairs and Maintenance Expenditure	1,737,189	1,172,046	1,336,283	2,355,214	2,479,574	2,345,351	2,719,615	3,010,473	3,273,238
Specialised vehicles	35,675	33,197	33,089	47,688	47,679	64,541	50,386	54,069	57,982
Refuse	28,373	27,124	26,841	37,087	37,110	51,647	38,888	41,913	45,145
Fire	7,301	6,073	6,247	10,602	10,569	10,693	11,498	12,155	12,837
Conservancy	-	-	-	-	-	-	-	-	-
Ambulances	-	-	-	-	-	2,200	-	-	-
R&M as a % of PPE	4.1%	2.7%	3.1%	4.7%	5.0%	5.4%	5.9%	6.1%	6.3%
R&M as % Operating Expenditure	8.7%	5.5%	5.8%	9.0%	9.4%	9.1%	9.3%	9.3%	9.2%

Table 97 MBRR SA36 - Detailed Capital Budget per municipal vote

Municipal Vote/Capital project	Program/Project description	Individually Approved (Yes/No)	Asset Class	Asset Sub-Class	GPS co-ordinates	Total Project Estimate	Prior year outcomes 2014/15	2015/16 Medium Term Revenue & Expenditure Framework			Project information	
								Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18	Ward location	New or renewal
R thousand		6	3	3	5							
Parent municipality:												
List all capital projects grouped by Municipal Vote												
Council General	Provision for Bulk Infrastructure (Glen Gory Development)	Yes	Infrastructure	Other		204,000	-	-	204,000	-	All wards	New
Customer Relations Management	CCA Brownfields Upgrades	Yes	Other Assets	Other Land and Buildings		17,985	9,985	8,000	-	-	-	17 Renewal of Existing Assets
Customer Relations Management	Deveynon Building Upgrade	Yes	Other Assets	Other Land and Buildings		14,616	9,616	5,000	-	-	70	Renewal of Existing Assets
Customer Relations Management	Deveynon Building Upgrade	Yes	Other Assets	Other Land and Buildings		950	950	-	-	-	70	Renewal of Existing Assets
Customer Relations Management	Nigel Building Upgrade	Yes	Other Assets	Other Land and Buildings		9,595	9,595	-	-	-	-	88 Renewal of Existing Assets
Customer Relations Management	Tembisa 2/ Winnie Mandela New Building	Yes	Other Assets	Other Land and Buildings		21,100	17,100	4,000	-	-	89	Renewal of Existing Assets
Customer Relations Management	Tembisa 2/ Winnie Mandela New Building	Yes	Other Assets	Other Land and Buildings		4,275	4,275	-	-	-	89	Renewal of Existing Assets
Customer Relations Management	Unified Command Centre	Yes	Other Assets	Other Land and Buildings		6,383	6,383	-	-	-	22	Renewal of Existing Assets
Customer Relations Management	Unified Command Centre	Yes	Other Assets	Office Equipment		285	285	-	-	-	-	Renewal of Existing Assets
Customer Relations Management	Voisonous Building Upgrade	Yes	Other Assets	Other Land and Buildings		2,584	2,584	-	-	-	95	Renewal of Existing Assets
Disaster & Emergency Management Services	3 x Mobile be SAFE Units	Yes	Other Assets	Other Land and Buildings		7,728	2,128	2,800	2,800	-	20, 32, 73	Renewal of Existing Assets
Disaster & Emergency Management Services	Const Fire Station Ollantsfontein	Yes	Other Assets	Other Land and Buildings		13,200	-	1,200	2,000	10,000	-	23 New
Disaster & Emergency Management Services	Const Fire Station House Albertina Sisulu Corridor	Yes	Other Assets	Other Land and Buildings		30,350	950	2,000	12,400	15,000	-	15 New
Disaster & Emergency Management Services	Const Fire Station House Germiston Central	Yes	Other Assets	Other Land and Buildings		38,327	14,327	15,000	9,000	-	-	36 New
Disaster & Emergency Management Services	Const Fire Station House Duduza	Yes	Other Assets	Other Land and Buildings		17,783	17,783	-	-	-	87	New
Disaster & Emergency Management Services	Elandsfontein/Isando Fire Station	Yes	Other Assets	Other Land and Buildings		13,000	-	1,000	2,000	10,000	-	15 New
Disaster & Emergency Management Services	Emergency Services Training Academy	Yes	Other Assets	Other Land and Buildings		5,000	-	-	2,000	3,000	-	100 New
Disaster & Emergency Management Services	Establish Radio Technical Workshop	Yes	Other Assets	Other Land and Buildings		2,450	950	1,500	-	-	-	17 Renewal of Existing Assets
Disaster & Emergency Management Services	Extension of Farmere Fire Station	Yes	Other Assets	Other Land and Buildings		9,000	-	1,000	8,000	-	-	26 Renewal of Existing Assets
Disaster & Emergency Management Services	Furnished BeSAFE Centre	Yes	Other Assets	Other Land and Buildings		3,160	760	2,400	-	-	-	32 Renewal of Existing Assets
Disaster & Emergency Management Services	High Volume Emergency Water Relay System	Yes	Other Assets	Plant & equipment		35,000	-	-	15,000	20,000	-	22 Renewal of Existing Assets
Disaster & Emergency Management Services	Refurb of All Metro Fire Stations/House	Yes	Other Assets	Other Land and Buildings		9,211	4,811	2,000	2,400	-	-	27 Renewal of Existing Assets
Disaster & Emergency Management Services	Refurbishment Community Safety HQ	Yes	Other Assets	Other Land and Buildings		5,644	364	250	5,000	-	-	20 Renewal of Existing Assets
Disaster & Emergency Management Services	Refurbishment of DMC Premises / facilities	Yes	Other Assets	Other Land and Buildings		200	-	-	200	-	-	94 Renewal of Existing Assets
Disaster & Emergency Management Services	Refurbishment of DMC Premises / facilities	Yes	Other Assets	Other Land and Buildings		300	-	-	300	-	-	94 Renewal of Existing Assets
Disaster & Emergency Management Services	Refurbishment of DMC Premises / facilities	Yes	Other Assets	Other Land and Buildings		3,000	-	1,000	2,000	-	36	Renewal of Existing Assets
Disaster & Emergency Management Services	Restoration of Germiston Fire Station	Yes	Other Assets	Other Land and Buildings		4,845	2,345	500	500	1,500	6, 17, 20, 21, 27, 32	Renewal of Existing Assets
Disaster & Emergency Management Services	Upgrade all Repeater Sites Phase 1	Yes	Other Assets	Other Land and Buildings		1,585	285	300	500	500	6, 17, 20, 21, 27, 32	Renewal of Existing Assets
Disaster & Emergency Management Services	Upgrading of Alberton Fire Station	Yes	Other Assets	Other Land and Buildings		2,673	673	800	1,200	-	-	94 Renewal of Existing Assets
Disaster & Emergency Management Services	Upgrading of Benoni Central Fire Station	Yes	Other Assets	Other Land and Buildings		1,170	570	600	600	-	-	27 Renewal of Existing Assets
Disaster & Emergency Management Services	Upgrading of Edenvale Fire Station	Yes	Other Assets	Other Land and Buildings		1,170	570	600	-	-	-	12 Renewal of Existing Assets
Disaster & Emergency Management Services	Upgrading of Kemplonpark Fire Station	Yes	Other Assets	Other Land and Buildings		2,799	999	800	1,000	-	-	19 Renewal of Existing Assets
Disaster & Emergency Management Services	Upgrading of Primrose Fire Station	Yes	Other Assets	Other Land and Buildings		1,170	600	-	-	-	-	17 Renewal of Existing Assets
Disaster & Emergency Management Services	Upgrading of Primrose Fire Station	Yes	Other Assets	Other Land and Buildings		21,735	10,735	11,000	-	-	77	New
Disaster & Emergency Management Services	Const Fire Station House Kwa-Thema	Yes	Other Assets	Other Land and Buildings		34,975	475	16,500	18,000	-	-	52 New
Disaster & Emergency Management Services	Const Fire Station House Thokozwa	Yes	Other Assets	Other Land and Buildings		689	689	-	-	-	101	New
Disaster & Emergency Management Services	Const Fire Station House Zinkwaziwe	Yes	Other Assets	Other Land and Buildings		25,550	-	1,550	6,000	18,000	-	55 New
Disaster & Emergency Management Services	Kalahong Fire Station	Yes	Other Assets	Other Land and Buildings		4,300	-	300	4,000	-	-	44 Renewal of Existing Assets
Disaster & Emergency Management Services	Upgrading of Voisonous Fire Station	Yes	Other Assets	Other Land and Buildings		25,700	5,700	6,000	6,000	8,000	All wards	New
Economic Development	Community Agric Projects	Yes	Infrastructure	Other		7,000	-	2,000	5,000	-	-	New
Economic Development	Ekurhuleni Industrial Park	Yes	Infrastructure	Other		15,750	4,750	5,000	6,000	-	5	New
Economic Development	Fabrication Laboratory	Yes	Infrastructure	Other		47,350	12,350	15,000	20,000	-	75	Renewal of Existing Assets
Economic Development	Refurbishment & Expansion of the Fresh Produce Market	Yes	Other Assets	Other Land and Buildings								

EKURHULENI METROPOLITAN MUNICIPALITY – FINAL BUDGET 2015/16 TO 2017/18

EKU Ekurhuleni Metro - Supporting Table SA36 Detailed capital budget													
Municipal Vote/Capital project	Program/Project description	Individually Approved (Yes/No)	Asset Class	Asset Sub-Class	GPS co-ordinates	Total Project Estimate	Prior year outcomes	2015/16 Medium Term Revenue & Expenditure Framework			Project Information		
R thousand		6	3	3	5		Current Year 2014/15	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18	Ward location	New or renewal	
Economic Development	Tourism Route Infrastructure	Yes	Infrastructure	Other		4,640	1,140	1,500	2,000	-	Multi Wards	New	
Economic Development	Trading Stalls	Yes	Infrastructure	Other		10,750	4,750	6,000	-	-	All wards	New	
Economic Development	Township Economies Development	Yes	Infrastructure	Other		48,800	3,800	15,000	15,000	-	All wards	New	
Economic Development	Township enterprise Hubs	Yes	Infrastructure	Other		40,290	7,790	22,000	10,500	-	All wards	New	
Economic Development	Township Industrial Parks	Yes	Infrastructure	Other		11,400	11,400	-	-	-	All wards	New	
ENPDP	Const Benoni Precinct	Yes	Other Assets	Other Land and Buildings		9,700	-	-	700	9,000	27 New	New	
ENPDP	Const ENPDP Specialised Unit Offices	Yes	Other Assets	Other Land and Buildings		11,500	-	-	3,000	8,500	20 New	New	
ENPDP	Const K9 Unit (Dog Unit)	Yes	Other Assets	Other Land and Buildings		11,000	-	-	5,000	6,000	32 New	New	
ENPDP	Const Kempton Park Precinct	Yes	Other Assets	Other Land and Buildings		19,665	665	9,000	10,000	-	16	New	
ENPDP	Const Precinct Eileen	Yes	Other Assets	Other Land and Buildings		17,000	-	7,000	10,000	-	-	16 New	
ENPDP	Establishment of Equestrian Unit	Yes	Other Assets	Other Land and Buildings		2,114	314	1,500	300	-	25	Renewal of Existing Assets	
ENPDP	Refurbishment Boksburg Pound office	Yes	Other Assets	Other Land and Buildings		4,950	950	1,000	3,000	-	-	22 Renewal of Existing Assets	
ENPDP	Refurbishment Boksburg Pound office	Yes	Other Assets	Other Land and Buildings		1,950	950	1,000	-	-	-	74 Renewal of Existing Assets	
ENPDP	Refurbishment Logistics section	Yes	Other Assets	Other Land and Buildings		5,850	2,850	3,000	-	-	-	16 Renewal of Existing Assets	
ENPDP	Refurbishment of ENPDP Headquarters	Yes	Other Assets	Other Land and Buildings		3,850	2,850	1,000	-	-	-	16 Renewal of Existing Assets	
ENPDP	Installation and upgrading of Security Systems in EMM	Yes	Other Assets	Other Land and Buildings		5,577	5,577	-	-	-	All wards	Renewal of Existing Assets	
ENPDP	Refurbishment All ENPDP Facilities	Yes	Other Assets	Other Land and Buildings		2,888	2,888	-	-	-	All wards	Renewal of Existing Assets	
ENPDP	Refurbishment Tembisa regional office	Yes	Other Assets	Other Land and Buildings		3,900	1,900	2,000	-	-	-	6 Renewal of Existing Assets	
ENPDP	Refurbishment Tembisa regional office	Yes	Other Assets	Other Land and Buildings		2,850	2,850	-	-	-	77	Renewal of Existing Assets	
ENPDP	Training Academy Kwa-Thema	Yes	Other Assets	Other Land and Buildings		8,821	8,821	-	-	-	101	New	
ENPDP	Const Precinct Stations Zonkizizwe	Yes	Other Assets	Other Land and Buildings		11,875	8,075	3,800	-	-	56	New	
ENPDP	Const Precinct Stations Tokoza	Yes	Other Assets	Other Land and Buildings		1,549	1,549	-	-	-	56	New	
ENPDP	Const Precinct Stations Tokoza	Yes	Other Assets	Other Land and Buildings		1,549	1,549	-	-	-	56	New	
ENPDP	Const Tembisa Precinct	Yes	Other Assets	Other Land and Buildings		16,475	475	8,000	8,000	-	6	New	
Energy	Corporate Electrification	Yes	Infrastructure	Electricity Refetulation		114,000	114,000	-	-	-	All wards	New	
Energy	Palm Ridge Electrification	Yes	Infrastructure	Electricity Refetulation		75,000	-	15,000	30,000	40,48,49,50,51,51	30,000	New	
Energy	Kwa-Thema Electrification	Yes	Infrastructure	Electricity Refetulation		50,000	-	10,000	20,000	20,000	77,78,79,80,81	New	
Energy	Esselen Park Electrification	Yes	Infrastructure	Electricity Refetulation		1,000	-	1,000	-	-	91	New	
Energy	Via Lisa Ext Electrification	Yes	Infrastructure	Electricity Refetulation		17,000	-	12,000	5,000	-	45	New	
Energy	Eden Park Electrification	Yes	Infrastructure	Electricity Refetulation		15,000	-	15,000	-	-	53	New	
Energy	Tinasorke Electrification	Yes	Infrastructure	Electricity Refetulation		14,000	-	14,000	-	-	53 & 57	New	
Energy	Chief Albert Luthuli Electrification	Yes	Infrastructure	Electricity Refetulation		50,000	-	10,000	20,000	20,000	24	New	
Energy	Clayville Electrification	Yes	Infrastructure	Electricity Refetulation		50,000	-	10,000	20,000	20,000	1	New	
Energy	Alta Park Electrification	Yes	Infrastructure	Electricity Refetulation		18,000	-	18,000	-	-	88	New	
Energy	Langaville Electrification	Yes	Infrastructure	Electricity Refetulation		89,000	19,000	15,000	25,000	30,000	77,78,79,80,81	New	
Energy	Alborton Lighting	Yes	Infrastructure	Lighting		5,808	808	1,000	2,000	2,000	37,38,53	New	
Energy	Alborton Network enhancement	Yes	Infrastructure	Electricity Refetulation		17,800	3,800	4,000	5,000	5,000	37,38,53	Renewal of Existing Assets	
Energy	Alborton Revenue enhancement	Yes	Infrastructure	Electricity Refetulation		19,968	1,968	4,000	7,200	7,200	37,38,53	New	
Energy	Benoni Lighting	Yes	Infrastructure	Lighting		5,808	808	1,000	2,000	2,000	24,27,28,28,30	New	
Energy	Benoni Network enhancement	Yes	Infrastructure	Electricity Refetulation		17,800	3,800	4,000	5,000	5,000	24,27,28,29,30	Renewal of Existing Assets	
Energy	Benoni Revenue enhancement	Yes	Infrastructure	Electricity Refetulation		19,968	1,568	4,000	7,200	7,200	24,27,28,28,30	New	
Energy	Boksburg Lighting	Yes	Infrastructure	Lighting		5,808	808	1,000	2,000	2,000	22,32,33,34,42	New	
Energy	Boksburg Network enhancement	Yes	Infrastructure	Electricity Refetulation		31,800	3,800	8,000	10,000	10,000	22,32,33,34,42	Renewal of Existing Assets	
Energy	Boksburg Revenue enhancement	Yes	Infrastructure	Electricity Refetulation		19,968	1,568	4,000	7,200	7,200	22,32,33,34,42	New	
Energy	Braikan Lighting	Yes	Infrastructure	Lighting		5,808	808	1,000	2,000	2,000	31,73,74	New	
Energy	Braikan Network enhancement	Yes	Infrastructure	Electricity Refetulation		17,800	3,800	4,000	5,000	5,000	31,73,74	Renewal of Existing Assets	

EKU Ekurhuleni Metro - Supporting Table SA36 Detailed capital budget												
Municipal Vote/Capital project	Program/Project description	Individually Approved (Yes/No)	Asset Class	Asset Sub-Class	GPS co-ordinates	Total Project Estimate	Prior year outcomes	2015/16 Medium Term Revenue & Expenditure Framework			Project information	
		6	3	3	5		Current Year 2014/15	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18	Ward location	New or renewal
R thousand	Brakpan Revenue enhancement	Yes	Infrastructure	Electricity Reticulation		19,968	1,568	4,000	7,200	7,200	31, 73, 74	New
	Corporate Network enhancement	Yes	Infrastructure	Electricity Reticulation		12,350	12,350	-	-	-	All wards	Renewal of Existing Assets
	Corporate Revenue enhancement	Yes	Infrastructure	Electricity Reticulation		42,750	42,750	-	-	-	All wards	New
	Corporate Substations	Yes	Infrastructure	Electricity Reticulation		76,000	76,000	-	-	-	All wards	New
	Renewable Energy Projects	Yes	Infrastructure	Electricity Reticulation		31,350	31,350	-	-	-	All wards	New
	Corporate Electrification INEP	Yes	Infrastructure	Electricity Reticulation		57,950	57,950	-	-	-	All wards	New
	INEP Electrification of Subsidized Housing (MOU with DOE)	Yes	Infrastructure	Electricity Reticulation		120,000	-	50,000	40,000	30,000	Multi Wards	New
	Corporate Energy efficiency	Yes	Infrastructure	Electricity Reticulation		16,625	16,625	-	-	-	All wards	New
	Energy Efficiency Projects (MOU with DOE)	Yes	Infrastructure	Electricity Reticulation		54,000	-	14,000	20,000	20,000	Multi Wards	New
	Corporate Lighting	Yes	Infrastructure	Lighting		7,600	7,600	-	-	-	All wards	New
	Edenvale Munic substation	Yes	Infrastructure	Electricity Reticulation	S 26 06 244E 28 13 782	15,000	-	10,000	5,000	-	19	New
	Edenpark substation	Yes	Infrastructure	Electricity Reticulation		30,000	-	20,000	10,000	-	17	New
	Van Dyk / Salfin substation	Yes	Infrastructure	Electricity Reticulation	S 26 21 207E 28 08 191	60,000	-	5,000	25,000	30,000	31	New
	Diena Street substation	Yes	Infrastructure	Electricity Reticulation		40,000	-	10,000	15,000	15,000	94	New
	Germiston North Substation	Yes	Infrastructure	Electricity Reticulation		60,000	-	10,000	25,000	25,000	93	New
	Alton Road Substation	Yes	Infrastructure	Electricity Reticulation		12,000	-	-	10,000	2,000	39	New
	Edenpark substation	Yes	Infrastructure	Electricity Reticulation	S 26 00 560E 28 13 061	30,000	-	10,000	5,000	15,000	53	New
	Sunnyridge substation	Yes	Infrastructure	Electricity Reticulation		10,000	-	-	-	10,000	21	New
	Harebeest substation	Yes	Infrastructure	Electricity Reticulation	S 26 06 277E 28 13 835	15,000	-	-	5,000	10,000	88 & 100	New
	Delex substation	Yes	Infrastructure	Electricity Reticulation	S 26 06 277E 28 13 835	85,000	-	10,000	30,000	25,000	76	New
	Russel Road substation	Yes	Infrastructure	Electricity Reticulation	S 26 06 277E 28 13 835	15,000	-	-	5,000	10,000	36	New
	Vulcania substation	Yes	Infrastructure	Electricity Reticulation	S 26 06 277E 28 13 835	5,000	-	-	-	5,000	74	New
	J.P. Marais Substation	Yes	Infrastructure	Electricity Reticulation		30,000	-	-	10,000	20,000	72	New
	Bulk Services to New Developments	Yes	Infrastructure	Electricity Reticulation	S 26 15 344E 28 21 628	83,000	-	20,000	30,000	33,000	Multi Wards	New
	Edenvale Lighting	Yes	Infrastructure	Lighting	S 26 06 294E 28 14 559	5,808	808	1,000	2,000	2,000	11, 12, 18, 19, 20	New
	Edenvale Network enhancement	Yes	Infrastructure	Electricity Reticulation	S 26 06 277E 28 13 835	17,800	3,800	4,000	5,000	5,000	11, 12, 18, 19, 20	Renewal of Existing Assets
	Edenvale Revenue enhancement	Yes	Infrastructure	Electricity Reticulation	S 26 00 560E 28 13 061	19,968	1,568	4,000	7,200	7,200	11, 12, 18, 19, 20	New
	Germiston Lighting	Yes	Infrastructure	Lighting	S 26 06 277E 28 13 835	3,808	808	1,000	1,000	1,000	21, 35, 36, 39, 41	New
	Germiston Network enhancement	Yes	Infrastructure	Electricity Reticulation	S 26 06 277E 28 13 835	50,260	10,260	10,000	15,000	15,000	21, 35, 36, 39, 41	Renewal of Existing Assets
	Germiston Revenue enhancement	Yes	Infrastructure	Electricity Reticulation	S 26 16 727E 28 23 887	27,568	1,568	6,000	10,000	10,000	21, 35, 36, 39, 41	New
	Kempston Park Lighting	Yes	Infrastructure	Lighting	S 26 06 277E 28 13 835	3,808	808	1,000	1,000	1,000	13, 15, 16, 17, 23, 24	New
	Kempston Park Network enhancement	Yes	Infrastructure	Electricity Reticulation		42,500	9,500	9,000	12,000	12,000	13, 15, 16, 17, 23, 24	Renewal of Existing Assets
Kempston Park Revenue enhancement	Yes	Infrastructure	Electricity Reticulation		19,968	1,568	4,000	7,200	7,200	13, 15, 16, 17, 23, 24	New	
Nigel Lighting	Yes	Infrastructure	Lighting		3,808	808	1,000	1,000	1,000	88	New	
Nigel Network enhancement	Yes	Infrastructure	Electricity Reticulation		16,850	2,850	4,000	5,000	5,000	88	Renewal of Existing Assets	
Nigel Revenue enhancement	Yes	Infrastructure	Electricity Reticulation		21,768	1,568	4,000	8,100	8,100	88	New	
Solar Rooftop - Germiston	Yes	Infrastructure	Electricity Reticulation	Multi co-ordinates	7,300	-	7,300	-	-	93	New	
Solar Rooftop - Boksburg	Yes	Infrastructure	Electricity Reticulation	Multi co-ordinates	7,300	-	7,300	-	-	22	New	
SVH and Heat pumps	Yes	Infrastructure	Electricity Reticulation	Multi co-ordinates	25,400	-	5,400	10,000	10,000	19,18,92	New	
Solar Rooftop - Kempsonpark	Yes	Infrastructure	Electricity Reticulation	Multi co-ordinates	16,000	-	-	8,000	8,000	16	New	
Simmer & Jack Landfill site	Yes	Infrastructure	Electricity Reticulation	Multi co-ordinates	22,000	-	-	11,000	11,000	36	New	
Springs Lighting	Yes	Infrastructure	Lighting	Multi co-ordinates	3,808	808	1,000	1,000	1,000	72, 75, 76	New	
Springs Network enhancement	Yes	Infrastructure	Electricity Reticulation	Multi co-ordinates	17,800	3,800	4,000	5,000	5,000	72, 75, 76	Renewal of Existing Assets	
Springs Revenue enhancement	Yes	Infrastructure	Electricity Reticulation	Multi co-ordinates	21,768	1,568	4,000	8,100	8,100	72, 75, 76	New	
Energy Generation from Gas Flares & Wells	Yes	Infrastructure	Electricity Reticulation	Multi co-ordinates	10,000	-	10,000	-	-	97,98,76,37	Renewal of Existing Assets	

EKU Ekurhuleni Metro - Supporting Table SA38 Detailed capital budget															
Municipal Vote/Capital project		Program/Project description		Individually Approved (Yes/No)	Asset Class	Asset Sub-Class	GPS co-ordinates	Total Project Estimate	Prior year outcomes		2015/16 Medium Term Revenue & Expenditure Framework			Project information	
R thousand				6	3	3	5		Current Year 2014/15	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18	Ward location	New or renewal	
Energy		Mayfield Switching Station		Yes	Infrastructure	Electricity Reticulation	Multi co-ordinatesMulti co-ord	30,000	-	20,000	10,000	-	69 & 96	New	
Energy		Oryx Park substation		Yes	Infrastructure	Electricity Reticulation	Multi co-ordinatesMulti co-ord	20,000	-	5,000	15,000	-	24	New	
Energy		Promolung substation		Yes	Infrastructure	Electricity Reticulation	Multi co-ordinatesMulti co-ord	60,000	-	10,000	30,000	20,000	12	New	
Energy		Tembisa substation		Yes	Infrastructure	Electricity Reticulation	Multi co-ordinatesMulti co-ord	20,000	-	-	10,000	10,000	8	New	
Energy		Devayton Lighting		Yes	Infrastructure	Lighting	Multi co-ordinatesMulti co-ord	11,688	1,188	2,500	4,000	4,000	68, 69, 70, 71	New	
Energy		Devayton Network enhancement		Yes	Infrastructure	Electricity Reticulation	Multi co-ordinatesMulti co-ord	15,800	3,800	2,000	5,000	5,000	68, 69, 70, 71	Renewal of Existing Assets	
Energy		Duduza Lighting		Yes	Infrastructure	Lighting	Multi co-ordinatesMulti co-ord	11,688	1,188	2,500	4,000	4,000	84, 86, 87	New	
Energy		Eswatini Lighting		Yes	Infrastructure	Lighting	Multi co-ordinatesMulti co-ord	8,688	1,188	2,500	2,500	2,500	26, 65, 66, 67	New	
Energy		Kalekhang Lighting		Yes	Infrastructure	Lighting	Multi co-ordinatesMulti co-ord	8,688	1,188	2,500	2,500	2,500	40, 48, 49, 50, 51, 52	New	
Energy		Kwa-Thema Lighting		Yes	Infrastructure	Lighting	Multi co-ordinatesMulti co-ord	8,688	1,188	2,500	2,500	2,500	77, 78, 79, 80, 81	New	
Energy		Kwa-Thema Network enhancement		Yes	Infrastructure	Electricity Reticulation	Multi co-ordinatesMulti co-ord	16,850	2,850	4,000	5,000	5,000	77, 78, 79, 80, 81	Renewal of Existing Assets	
Energy		Solar lighting - Mayfield Ext 35 (Combiza)		Yes	Infrastructure	Electricity Reticulation	Multi co-ordinatesMulti co-ord	25,568	1,568	4,000	10,000	10,000	77, 78, 79, 80, 81	New	
Energy		Solar lighting - Molele Ext 182 (Siphamadla)		Yes	Infrastructure	Lighting	Multi co-ordinatesMulti co-ord	9,360	-	-	9,360	-	-	70 New	
Energy		Solar lighting - Madakulele (Qagaga)		Yes	Infrastructure	Lighting	Multi co-ordinatesMulti co-ord	1,140	-	-	1,140	-	-	67 New	
Energy		Solar lighting - Umthambeka		Yes	Infrastructure	Lighting	Multi co-ordinatesMulti co-ord	4,500	-	-	4,500	-	-	60 New	
Energy		Solar lighting - Hahane		Yes	Infrastructure	Lighting	Multi co-ordinatesMulti co-ord	3,000	-	-	3,000	-	-	6 New	
Energy		Solar lighting - Umthambeka		Yes	Infrastructure	Lighting	Multi co-ordinatesMulti co-ord	1,250	-	-	1,250	-	-	51 New	
Energy		Solar lighting - Inxoveni		Yes	Infrastructure	Lighting	Multi co-ordinatesMulti co-ord	1,000	-	-	1,000	-	-	11 New	
Energy		Solar lighting - Duduza North		Yes	Infrastructure	Lighting	Multi co-ordinatesMulti co-ord	750	-	-	750	-	-	11 New	
Energy		Solar lighting - Holomisa (Lindeleni)		Yes	Infrastructure	Lighting	Multi co-ordinatesMulti co-ord	12,819	-	-	-	-	12,819	86 New	
Energy		Solar lighting - Holomisa (Lindeleni)		Yes	Infrastructure	Lighting	Multi co-ordinatesMulti co-ord	5,019	-	-	-	-	5,019	99 New	
Energy		Solar lighting - Ekurhuleni		Yes	Infrastructure	Lighting	Multi co-ordinatesMulti co-ord	3,162	-	-	-	-	3,162	78 New	
Energy		Tembisa 2 Lighting		Yes	Infrastructure	Lighting	Multi co-ordinatesMulti co-ord	8,688	1,188	2,500	2,500	2,500	1, 2, 3, 4, 7	New	
Energy		Tembisa 2 Network enhancement		Yes	Infrastructure	Electricity Reticulation	Multi co-ordinatesMulti co-ord	16,850	2,850	4,000	5,000	5,000	1, 2, 3, 4, 7	Renewal of Existing Assets	
Energy		Tembisa 2 Revenue enhancement		Yes	Infrastructure	Electricity Reticulation	Multi co-ordinatesMulti co-ord	19,968	1,568	4,000	7,200	7,200	1, 2, 3, 4, 7	New	
Energy		Tembisa Lighting		Yes	Infrastructure	Lighting	Multi co-ordinatesMulti co-ord	8,688	1,188	2,500	2,500	2,500	5, 6, 7, 8, 9, 10, 14	New	
Energy		Tembisa Network enhancement		Yes	Infrastructure	Electricity Reticulation	Multi co-ordinatesMulti co-ord	16,850	2,850	4,000	5,000	5,000	5, 6, 7, 8, 9, 10, 14	Renewal of Existing Assets	
Energy		Tembisa Revenue enhancement		Yes	Infrastructure	Electricity Reticulation	Multi co-ordinatesMulti co-ord	19,968	1,568	4,000	7,200	7,200	5, 6, 7, 8, 9, 10, 14	New	
Energy		Thokoza Lighting		Yes	Infrastructure	Lighting	Multi co-ordinatesMulti co-ord	8,688	1,188	2,500	2,500	2,500	52, 54, 56, 57, 58	New	
Energy		Thokoza Network enhancement		Yes	Infrastructure	Electricity Reticulation	Multi co-ordinatesMulti co-ord	27,800	3,800	4,000	10,000	10,000	52, 54, 56, 57, 58	Renewal of Existing Assets	
Energy		Thokoza Revenue enhancement		Yes	Infrastructure	Electricity Reticulation	Multi co-ordinatesMulti co-ord	19,968	1,568	4,000	7,200	7,200	52, 54, 56, 57, 58	Renewal of Existing Assets	
Energy		Tsakane Lighting		Yes	Infrastructure	Lighting	Multi co-ordinatesMulti co-ord	8,688	1,188	2,500	2,500	2,500	82, 83, 85	New	
Energy		Tsakane Network enhancement		Yes	Infrastructure	Electricity Reticulation	Multi co-ordinatesMulti co-ord	16,850	2,850	4,000	5,000	5,000	82, 83, 85	Renewal of Existing Assets	
Energy		Vooroux Lighting		Yes	Infrastructure	Lighting	Multi co-ordinatesMulti co-ord	8,688	1,188	2,500	2,500	2,500	43, 44, 45, 46, 47, 61	New	
Energy		Vooroux Network enhancement		Yes	Infrastructure	Electricity Reticulation	Multi co-ordinatesMulti co-ord	3,760	760	1,000	1,000	1,000	43, 44, 45, 46, 47, 61	Renewal of Existing Assets	
Energy		Vooroux Revenue enhancement		Yes	Infrastructure	Electricity Reticulation	Multi co-ordinatesMulti co-ord	8,760	760	2,000	3,000	3,000	43, 44, 45, 46, 47, 61	New	
Environmental Resources Management		Rehabilitation of the Boksburg lake		Yes	Community	Establishment of Parks & Gardens	Multi co-ordinatesMulti co-ord	8,950	950	1,000	3,500	3,500	22	Renewal of Existing Assets	
Environmental Resources Management		Rehabilitation of the Nalediport Catchment, Witkop Estate		Yes	Community	Establishment of Parks & Gardens	Multi co-ordinatesMulti co-ord	7,425	1,425	2,000	2,000	2,000	99	New	
Environmental Resources Management		Rehabilitation, Degraded Wetlands/ Catchment, Ilondolo		Yes	Community	Establishment of Parks & Gardens	Multi co-ordinatesMulti co-ord	6,525	1,425	1,500	1,800	1,800	43, 44, 45, 46, 47, 61	22	
Environmental Resources Management		Construct Metro Parks Depots		Yes	Other Assets	Other Land and Buildings	Multi co-ordinatesMulti co-ord	3,135	3,135	-	-	-	18	New	
Environmental Resources Management		Construct Metro Parks Depots Kwa Thema		Yes	Other Assets	Other Land and Buildings	Multi co-ordinatesMulti co-ord	9,000	-	2,000	4,000	3,000	78	Renewal of Existing Assets	
Environmental Resources Management		Construct Metro Parks Depots Springs		Yes	Other Assets	Other Land and Buildings	Multi co-ordinatesMulti co-ord	1,000	-	1,000	-	-	88	Renewal of Existing Assets	
Environmental Resources Management		Construct Metro Parks Depots Duduza		Yes	Other Assets	Other Land and Buildings	Multi co-ordinatesMulti co-ord	7,000	-	1,000	2,000	4,000	98	Renewal of Existing Assets	
Environmental Resources Management		Construct Metro Parks Depots Katerhong 2		Yes	Other Assets	Other Land and Buildings	Multi co-ordinatesMulti co-ord	1,000	-	1,000	-	-	101	Renewal of Existing Assets	
Environmental Resources Management		Construct Metro Parks Depots Tembisa 1		Yes	Other Assets	Other Land and Buildings	Multi co-ordinatesMulti co-ord	2,000	-	-	-	2,000	5	Renewal of Existing Assets	

EKU Ekurhuleni Metro - Supporting Table SA36 Detailed capital budget														
Municipal Vote/Capital project	Program/Project description	Individually Approved (Yes/No)	Asset Class	Asset Sub-Class	GPS co-ordinates	Total Project Estimate	Prior year outcomes		2015/16 Medium Term Revenue & Expenditure Framework			Project information		
							Current Year 2014/15	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18	Ward location	New or renewal		
R thousand		6	3	3	5									
Environmental Resources Management	Construct Metro Parks Depots Thokoza	Yes	Other Assets	Other Land and Buildings	Multi co-ordinatesMulti co-ord	2,000	-	-	-	2,000	-	52	Renewal of Existing Assets	
Environmental Resources Management	Develop and upgrade cemeteries in the east	Yes	Community	Establishment of Parks & Gardens	Multi co-ordinatesMulti co-ord	43,000	-	14,000	14,000	15,000	-	98	Renewal of Existing Assets	
Environmental Resources Management	Develop/Upgrade Cemeteries: Boksborg Sub-Regional	Yes	Community	Establishment of Parks & Gardens	Multi co-ordinatesMulti co-ord	3,500	-	1,500	1,000	1,000	-	32	Renewal of Existing Assets	
Environmental Resources Management	Develop/Upgrade Cemeteries: Phumtani	Yes	Community	Establishment of Parks & Gardens	Multi co-ordinatesMulti co-ord	3,000	-	-	1,000	2,000	-	67	Renewal of Existing Assets	
Environmental Resources Management	Develop/Upgrade Cemeteries	Yes	Community	Establishment of Parks & Gardens	Multi co-ordinatesMulti co-ord	6,850	2,850	-	2,000	2,000	-	40	Renewal of Existing Assets	
Environmental Resources Management	Develop/Upgrade Cemeteries Kwa Thema	Yes	Community	Establishment of Parks & Gardens	Multi co-ordinatesMulti co-ord	16,775	13,775	-	2,000	1,000	-	77	Renewal of Existing Assets	
Environmental Resources Management	Develop/Upgrade Cemeteries: Iliba	Yes	Community	Establishment of Parks & Gardens	Multi co-ordinatesMulti co-ord	3,000	-	-	1,000	2,000	-	8	Renewal of Existing Assets	
Environmental Resources Management	Develop/Upgrade Cemeteries: Komvlei	Yes	Community	Establishment of Parks & Gardens	Multi co-ordinatesMulti co-ord	5,000	-	1,500	2,500	1,000	-	38	Renewal of Existing Assets	
Environmental Resources Management	Develop/Upgrade Cemeteries: Cambrian	Yes	Community	Establishment of Parks & Gardens	Multi co-ordinatesMulti co-ord	5,000	-	-	2,500	2,500	-	43	Renewal of Existing Assets	
Environmental Resources Management	Develop/Upgrade Community Parks	Yes	Community	Establishment of Parks & Gardens	Multi co-ordinatesMulti co-ord	9,890	9,890	-	-	-	-	29,42,48,72	Renewal of Existing Assets	
Environmental Resources Management	Develop/Upgrade Community Parks: Aconville	Yes	Community	Establishment of Parks & Gardens	Multi co-ordinatesMulti co-ord	7,500	-	2,500	2,000	3,000	-	29	Renewal of Existing Assets	
Environmental Resources Management	Develop/Upgrade Community Parks: Graceland	Yes	Community	Establishment of Parks & Gardens	Multi co-ordinatesMulti co-ord	5,000	-	1,000	1,500	2,500	-	42	Renewal of Existing Assets	
Environmental Resources Management	Develop/Upgrade Community Parks: Dersley	Yes	Community	Establishment of Parks & Gardens	Multi co-ordinatesMulti co-ord	4,000	-	1,000	1,000	2,000	-	72	Renewal of Existing Assets	
Environmental Resources Management	Develop/Upgrade Conservation Areas: Alberton Dam	Yes	Community	Establishment of Parks & Gardens	Multi co-ordinatesMulti co-ord	3,900	1,900	-	1,000	1,000	-	37	Renewal of Existing Assets	
Environmental Resources Management	Develop/Upgrade Conservation Areas: Nigel Game Reserve	Yes	Community	Establishment of Parks & Gardens	Multi co-ordinatesMulti co-ord	5,000	-	-	1,000	4,000	-	88	Renewal of Existing Assets	
Environmental Resources Management	Develop/Upgrade Conservation Areas: Rondebult	Yes	Community	Establishment of Parks & Gardens	Multi co-ordinatesMulti co-ord	3,000	-	1,000	1,000	1,000	-	41	Renewal of Existing Assets	
Environmental Resources Management	Develop/Upgrade Conservation Areas: Nyoni Park	Yes	Community	Establishment of Parks & Gardens	Multi co-ordinatesMulti co-ord	7,500	-	1,500	4,000	2,000	-	47	Renewal of Existing Assets	
Environmental Resources Management	Develop/Upgrade Regional Parks	Yes	Community	Establishment of Parks & Gardens	Multi co-ordinatesMulti co-ord	8,379	8,379	-	-	-	-	65,64,82,85,20	Renewal of Existing Assets	
Environmental Resources Management	Develop/Upgrade Regional Parks: Giliyos Park	Yes	Community	Establishment of Parks & Gardens	Multi co-ordinatesMulti co-ord	12,000	-	1,000	1,000	10,000	-	20	Renewal of Existing Assets	
Environmental Resources Management	Develop: Cemeteries - Berns	Yes	Community	Establishment of Parks & Gardens	Multi co-ordinatesMulti co-ord	2,375	2,375	-	-	-	-	32,30,38,43,75	Renewal of Existing Assets	
Environmental Resources Management	Develop: Cemeteries - Berns: Komvlei	Yes	Community	Establishment of Parks & Gardens	Multi co-ordinatesMulti co-ord	2,000	-	1,000	1,000	-	-	38	Renewal of Existing Assets	
Environmental Resources Management	Develop: Cemeteries - Berns: Cambrian, Boksborg Sub-Regional	Yes	Community	Establishment of Parks & Gardens	Multi co-ordinatesMulti co-ord	6,000	-	1,000	2,000	3,000	-	75	Renewal of Existing Assets	
Environmental Resources Management	Develop: Cemeteries - Berns: Petersfield	Yes	Community	Establishment of Parks & Gardens	Multi co-ordinatesMulti co-ord	1,000	-	1,000	-	-	-	30	Renewal of Existing Assets	
Environmental Resources Management	Develop: Cemeteries - Berns: Lala Ngxoxolo	Yes	Community	Establishment of Parks & Gardens	Multi co-ordinatesMulti co-ord	1,000	-	-	-	1,000	-	88	New	
Environmental Resources Management	Develop: Vaalhofien Cemetery	Yes	Community	Establishment of Parks & Gardens	Multi co-ordinatesMulti co-ord	475	475	-	-	-	-	29,16,17,18,82,98,38	Renewal of Existing Assets	
Environmental Resources Management	Development of Town Entrances	Yes	Community	Establishment of Parks & Gardens	Multi co-ordinatesMulti co-ord	1,924	1,924	-	-	-	-	29	Renewal of Existing Assets	
Environmental Resources Management	Development of Town Entrances Benoni	Yes	Community	Establishment of Parks & Gardens	Multi co-ordinatesMulti co-ord	200	-	200	-	-	-	16	Renewal of Existing Assets	
Environmental Resources Management	Development of Town Entrances Kempton Park	Yes	Community	Establishment of Parks & Gardens	Multi co-ordinatesMulti co-ord	200	-	200	-	-	-	17	Renewal of Existing Assets	
Environmental Resources Management	Development of Town Entrances Germiston	Yes	Community	Establishment of Parks & Gardens	Multi co-ordinatesMulti co-ord	300	-	100	200	-	-	18	Renewal of Existing Assets	
Environmental Resources Management	Development of Town Entrances Edenvale	Yes	Community	Establishment of Parks & Gardens	Multi co-ordinatesMulti co-ord	300	-	-	-	300	-	82	Renewal of Existing Assets	
Environmental Resources Management	Development of Town Entrances Tsakane	Yes	Community	Establishment of Parks & Gardens	Multi co-ordinatesMulti co-ord	300	-	-	100	200	-	98	Renewal of Existing Assets	
Environmental Resources Management	Development of Town Entrances Thokoza	Yes	Community	Establishment of Parks & Gardens	Multi co-ordinatesMulti co-ord	300	-	-	100	200	-	59	Renewal of Existing Assets	
Environmental Resources Management	Development of Town Entrances Kallangong 1	Yes	Community	Establishment of Parks & Gardens	Multi co-ordinatesMulti co-ord	300	-	-	-	300	48,101	Renewal of Existing Assets		
Environmental Resources Management	Development of Town Entrances Vosloorus	Yes	Community	Establishment of Parks & Gardens	Multi co-ordinatesMulti co-ord	300	-	-	-	-	-	77	Renewal of Existing Assets	
Environmental Resources Management	Development of Town Entrances Kwa Thema	Yes	Community	Establishment of Parks & Gardens	Multi co-ordinatesMulti co-ord	300	-	-	-	300	44,47,64	Renewal of Existing Assets		
Environmental Resources Management	Development of Town Entrances Tembisa 2	Yes	Community	Establishment of Parks & Gardens	Multi co-ordinatesMulti co-ord	200	-	-	-	-	-	200	4,2,10	Renewal of Existing Assets
Environmental Resources Management	Fencing ; Metro Parks Facilities: Phase 3	Yes	Community	Establishment of Parks & Gardens	Multi co-ordinatesMulti co-ord	3,350	2,850	-	500	-	-	44	Renewal of Existing Assets	
Environmental Resources Management	Fencing ; Metro Parks Facilities: Phase 3 Boksborg	Yes	Community	Establishment of Parks & Gardens	Multi co-ordinatesMulti co-ord	500	-	-	500	-	-	23	Renewal of Existing Assets	
Environmental Resources Management	Fencing ; Metro Parks Facilities: Phase 3 springs	Yes	Community	Establishment of Parks & Gardens	Multi co-ordinatesMulti co-ord	1,000	-	1,000	-	-	-	88	Renewal of Existing Assets	
Environmental Resources Management	Develop: Bunny Park	Yes	Community	Establishment of Parks & Gardens	Multi co-ordinatesMulti co-ord	202	202	-	-	-	-	27	Renewal of Existing Assets	
Environmental Resources Management	Murray Park	Yes	Community	Establishment of Parks & Gardens	Multi co-ordinatesMulti co-ord	20,600	7,600	6,000	-	-	-	72	Renewal of Existing Assets	
Environmental Resources Management	New cemetery in South	Yes	Community	Establishment of Parks & Gardens	Multi co-ordinatesMulti co-ord	56,475	25,000	16,000	15,000	-	-	29	Renewal of Existing Assets	
Environmental Resources Management	Playground Equipment	Yes	Other Assets	Plant & equipment	Plant & equipment	1,900	950	250	300	400	-	42	Renewal of Existing Assets	
Environmental Resources Management	Playground Equipment Boksborg	Yes	Other Assets	Plant & equipment	Plant & equipment	950	-	250	300	400	-	42	Renewal of Existing Assets	

EKU Ekurhuleni Metro - Supporting Table SA36 Detailed capital budget													
Municipal Vote/Capital project	Program/Project description	Individually Approved (Yes/No)	Asset Class	Asset Sub-Class	GPS co-ordinates	Total Project Estimate	Prior year outcomes		2015/16 Medium Term Revenue & Expenditure Framework			Project information	
							Current Year 2014/15	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18	Ward location	New or renewal	
R thousand		6	3	3	5								
Environmental Resources Management	Playground Equipment Kaledong 1	Yes	Other Assets	Plant & equipment		950	-	250	300	400	49	Renewal of Existing Assets	
Environmental Resources Management	Playground Equipment Springs	Yes	Other Assets	Plant & equipment		950	-	250	300	400	72	Renewal of Existing Assets	
Environmental Resources Management	Re-generate - 9 Township entrances beautified and branded	Yes	Community	Establishment of Parks & Gardens		8,000	-	8,000	-	-	All wards	Renewal of Existing Assets	
Environmental Resources Management	Develop/Upgrade Community Parks: Phake	Yes	Community	Establishment of Parks & Gardens	Carmen/Pieter to provideCar	5,500	-	1,000	2,000	2,500	49	Renewal of Existing Assets	
Environmental Resources Management	Develop/Upgrade Regional Parks Etwatwa	Yes	Community	Establishment of Parks & Gardens		5,500	-	1,500	4,000	-	65	Renewal of Existing Assets	
Environmental Resources Management	Develop/Upgrade Regional Parks: Ukusuka Park	Yes	Community	Establishment of Parks & Gardens		4,700	-	4,700	-	-	64	Renewal of Existing Assets	
Environmental Resources Management	Develop/Upgrade Regional Parks Tsakane	Yes	Community	Establishment of Parks & Gardens		5,000	-	1,000	2,000	2,000	82,85	Renewal of Existing Assets	
Environmental Resources Management	Develop/Upgrade Regional Parks: Winnie Mandela	Yes	Community	Establishment of Parks & Gardens		16,300	-	300	8,000	8,000	3	Renewal of Existing Assets	
Finance	Develop: Multi Purpose Park: Winnie Mandela	Yes	Community	Establishment of Parks & Gardens		3,452	3,452	-	-	-	3	New	
Finance	CFO/Gemission Stores	Yes	Other Assets	Other Land and Buildings		10,925	10,925	-	-	-	36	Renewal of Existing Assets	
Finance	Langaville Paypoint	Yes	Other Assets	Other Land and Buildings		4,000	-	1,000	3,000	-	85	New	
Finance	New paypoint at Esselen park	Yes	Other Assets	Other Land and Buildings		4,000	-	1,000	3,000	-	8	New	
Finance	Renovate Paypoints	Yes	Other Assets	Other Land and Buildings		1,109	1,109	-	-	-	All wards	Renewal of Existing Assets	
Finance	Tshepo Art Centre Paypoint	Yes	Other Assets	Other Land and Buildings		4,000	-	1,000	3,000	-	2	New	
Health & Social Development	Birch-Accres Clinic	Yes	Community	Clinic		14,143	143	-	2,000	12,000	13	New	
Health & Social Development	Bonaero Park Clinic	Yes	Community	Clinic		23,430	430	1,000	10,000	12,000	23	New	
Health & Social Development	Building - Youth Friendly Services	Yes	Other Assets	Other Land and Buildings		8,400	1,900	-	3,000	3,500	72/85/58/47	New	
Health & Social Development	Bulk Medicine Store: Conversion of Existing Structure	Yes	Other Assets	Other Land and Buildings		1,425	1,425	-	-	-	All wards	New	
Health & Social Development	Carports & Garages Health Facilities	Yes	Other Assets	Other Land and Buildings		6,925	1,425	1,500	2,000	2,000	30	Renewal of Existing Assets	
Health & Social Development	EXT & UPGRADE EDENVALE CLINIC	Yes	Community	Clinic		22,000	-	-	10,000	12,000	20	Renewal of Existing Assets	
Health & Social Development	EXT & UPGRADE KEMPTON PARK CLINIC	Yes	Community	Clinic		33,950	950	-	15,000	18,000	16	Renewal of Existing Assets	
Health & Social Development	EXT & UPGRADE SPARTAN	Yes	Community	Clinic		300	-	-	300	-	23	Renewal of Existing Assets	
Health & Social Development	Guard House Ablution Health Facilities	Yes	Other Assets	Other Land and Buildings		3,750	950	300	1,500	1,000	12/71	Renewal of Existing Assets	
Health & Social Development	Improve Access Disabled Health Facilities	Yes	Other Assets	Other Land and Buildings		510	190	100	100	120	79	Renewal of Existing Assets	
Health & Social Development	MEDICAL WASTE STORAGE FACILITIES	Yes	Other Assets	Other Land and Buildings		11,950	950	1,000	5,000	5,000	82	Renewal of Existing Assets	
Health & Social Development	New Bakerton Clinic	Yes	Community	Clinic		100	-	-	-	100	75	New	
Health & Social Development	Security Upgrade Facilities	Yes	Other Assets	Security Measures		4,725	1,425	900	1,200	1,200	88	Renewal of Existing Assets	
Health & Social Development	Signage at Health Facilities	Yes	Other Assets	Plant & equipment		1,775	475	500	300	500	88/84/75/64	Renewal of Existing Assets	
Health & Social Development	Training Unit for Nurses	Yes	Other Assets	Other Land and Buildings		5,958	5,558	400	-	-	47	New	
Health & Social Development	BUHLE PARK Clinic	Yes	Community	Clinic		14,048	48	-	2,000	12,000	40	New	
Health & Social Development	Early Childhood Development Centre	Yes	Other Assets	Other Land and Buildings		24,380	380	8,000	10,000	6,000	44/53/85/24	New	
Health & Social Development	Ext & Upgrade Motala Clinic	Yes	Community	Clinic		12,730	12,730	-	-	-	50	New	
Health & Social Development	EXT& UPGRADE TSNIELOPELE CLINIC(ADD LEVEL 2)	Yes	Community	Clinic		6,590	6,590	-	-	-	44	New	
Health & Social Development	Extension & Upgrade BARCELONA CLINIC	Yes	Community	Clinic		2,100	-	-	100	2,000	26	Renewal of Existing Assets	
Health & Social Development	Extension & Upgrade Esigengweni Clinic	Yes	Community	Clinic		22,158	3,158	13,000	6,000	-	10	Renewal of Existing Assets	
Health & Social Development	Extension & upgrade Selope Thema Clinic	Yes	Community	Clinic		20,158	3,158	13,000	4,000	-	77	Renewal of Existing Assets	
Health & Social Development	Gelukstad Clinic	Yes	Community	Clinic		12,000	-	-	2,000	10,000	86	New	
Health & Social Development	New TSETSI Clinic Phomolong South	Yes	Community	Clinic		26,869	1,869	12,000	12,000	1,000	60	New	
Health & Social Development	NEW CLINIC CHIEF A LUTHULU EXTENSION WARD 24 LEVEL 2	Yes	Community	Clinic		15,595	95	500	3,000	12,000	24	New	
Health & Social Development	New Clinic Esselen Park Tembisa	Yes	Community	Clinic		10,000	-	-	4,000	6,000	8	New	
Health & Social Development	New Clinic Lindelani X9	Yes	Community	Clinic		12,000	-	-	2,000	10,000	55	New	
Health & Social Development	New Crystal Park Clinic	Yes	Community	Clinic		25,897	1,897	10,000	13,000	1,000	24	New	
Health & Social Development	New Duduza Clinic	Yes	Community	Clinic		6,000	-	-	1,000	5,000	86	New	
Health & Social Development	New Dukela Clinic	Yes	Community	Clinic		21,225	5,225	11,000	5,000	-	35	New	
Health & Social Development	New Krumalo Clinic	Yes	Community	Clinic		25,897	1,897	12,000	11,000	1,000	101	New	

EKU Ekurhuleni Metro - Supporting Table SA38 Detailed capital budget												
Municipal Vote/Capital project	Program/Project description	Individually Approved (Yes/No)	Asset Class	Asset Sub-Class	GPS co-ordinates	Total Project Estimate	Prior year outcomes	2015/16 Medium Term Revenue & Expenditure Framework			Project information	
								Current Year 2014/15	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18	Ward location
R thousand		6	3	3	5							
Health & Social Development	New Mayfield Ext 8 Clinic	Yes	Community	Clinic		100	-	-	-	100	24	New
Health & Social Development	New Tswelopele Winnie Mandela Clinic	Yes	Community	Clinic		16,000	-	-	4,000	12,000	89	New
Health & Social Development	PALM RIDGE Clinic	Yes	Community	Clinic		6,745	6,745	-	-	-	101	New
Health & Social Development	Upgrade Erin Clinic	Yes	Community	Clinic		12,100	-	100	2,000	10,000	7	Renewal of Existing Assets
Health & Social Development	VILLA LUZA Clinic	Yes	Community	Clinic		16,398	12,398	4,000	-	-	45	New
Human Settlements	Acquisition of Land for New Human Settlements	Yes	Infrastructure	Housing		210,390	15,390	55,000	60,000	80,000	All wards	New
Human Settlements	Acquisition of Land for New Human Settlements	Yes	Infrastructure	Housing		30,427	30,427	-	-	-	All wards	New
Human Settlements	Acquisition of Portion 402 of the Farm Driefontein 85 IR	Yes	Infrastructure	Housing		73,151	73,151	-	-	-	All wards	New
Human Settlements	Devville Social Housing Project-Buildings	Yes	Infrastructure	Housing		14,250	14,250	-	-	-	36	New
Human Settlements	Human Settlements, Pre Planning Fees	Yes	Infrastructure	Housing		4,585	4,585	-	-	-	All wards	New
Human Settlements	Tembisa Urban Renewal Framework Projects	Yes	Infrastructure	Housing		167	167	-	-	-	Multi Wards	Renewal of Existing Assets
Human Settlements	Devville Social Housing Development	Yes	Other Assets	Other Land and Buildings		80,000	-	10,000	30,000	40,000	36	New
Human Settlements	Devville Social Housing Development	Yes	Other Assets	Other Land and Buildings		12,227	-	12,227	-	-	37	New
Human Settlements	Germiston South Social Housing Development	Yes	Other Assets	Other Land and Buildings		16,852	-	16,852	-	-	37	New
Human Settlements	Germiston Fire Station Social Housing Project-Buildings	Yes	Other Assets	Other Land and Buildings		109,000	19,000	20,000	30,000	40,000	36	New
Human Settlements	Servicing of Stands	Yes	Infrastructure	Housing		246,580	-	-	246,580	-	82	New
Human Settlements	Alliance Extension 9	Yes	Infrastructure	Housing		21,398	-	21,398	-	-	71	New
Human Settlements	Balmoral Extension 4	Yes	Infrastructure	Housing		29,185	-	29,185	-	-	33	New
Human Settlements	Houghtonville / Mckenzieville	Yes	Infrastructure	Housing		25,100	-	25,100	-	-	88	New
Human Settlements	Langaville Extension 4	Yes	Infrastructure	Housing		5,601	-	5,601	-	-	81	New
Human Settlements	Palm Ridge Extension 9	Yes	Infrastructure	Housing		86,108	-	86,108	-	-	53, 61	New
Human Settlements	Payneville Extension 1	Yes	Infrastructure	Housing		37,966	-	37,966	-	-	72	New
Human Settlements	Chief Albert Luthuli Ext 4	Yes	Infrastructure	Housing		13,105	-	13,105	-	-	24	New
Human Settlements	Heldenvyk Extension 3 & 7	Yes	Infrastructure	Housing		14,050	-	14,050	-	-	31	New
Human Settlements	Alliance Extension 1	Yes	Infrastructure	Housing		13,377	-	13,377	-	-	71	New
Human Settlements	Apex Ext 12	Yes	Infrastructure	Housing		2,526	-	2,526	-	-	30	New
Human Settlements	Balmoral Extension 5	Yes	Infrastructure	Housing		2,208	-	2,208	-	-	33	New
Human Settlements	Daveyton Extension 14	Yes	Infrastructure	Housing		6,118	-	6,118	-	-	96	New
Human Settlements	Payneville Extension 3	Yes	Infrastructure	Housing		6,138	-	6,138	-	-	72	New
Human Settlements	Rafonien Kwa-Thema	Yes	Infrastructure	Housing		13,674	-	13,674	-	-	78, 74	New
Human Settlements	Molekile Extension 2	Yes	Infrastructure	Housing		1,240	-	1,240	-	-	60	New
Human Settlements	Mayfield Extension 45	Yes	Infrastructure	Housing		5,046	-	5,046	-	-	96	New
Human Settlements	Esselen Park - Witfontein (Mega - Tembisa Triangle) - Birchley	Yes	Infrastructure	Housing		6,253	-	6,253	-	-	91	New
Human Settlements	Servicing of Stands(Leeupoort Development)	Yes	Infrastructure	Housing	28 188-26 253	67,327	-	67,327	-	-	34,42,32,31,43	New
Human Settlements	Tembisa Urban Renewal Framework Projects	Yes	Infrastructure	Housing	28 17-26 22	133,390	-	20,000	60,000	53,390	Multi Wards	New
Human Settlements	Human Settlements, Pre Planning Fees	Yes	Infrastructure	Housing		38,000	-	-	-	-	All wards	New
Human Settlements	Germiston South Social Housing Development	Yes	Infrastructure	Housing		79,000	-	25,000	27,000	27,000	35	New
Human Settlements	Katous Urban Renewal Project	Yes	Infrastructure	Housing	28 164-26 218	41,875	2,375	5,500	17,000	17,000	Multi Wards	New
Human Settlements	Leeupoort Development (Bulk Infrastructure)	Yes	Infrastructure	Housing	28 17-26 22	306,000	76,000	10,000	120,000	100,000	34,42,32,31,43	New
Human Settlements	Refurbishment of Rental Property	Yes	Infrastructure	Housing	28 219-26 008	72,584	35,352	37,212	-	-	Multi Wards	Renewal of Existing Assets
Human Settlements	Wanville-Acornville Urban Renewal Project	Yes	Infrastructure	Housing	28 162-26 213	46,683	2,683	10,000	17,000	17,000	Multi Wards	New
ICT	Acquisition of Electronic document Management system	Yes	Infrastructure	Other		16,685	3,867	4,477	4,925	5,417	All wards	Renewal of Existing Assets
ICT	DCS: Broadband Fibre	Yes	Infrastructure	Other	To be Provided for Projects	205,600	45,600	50,000	50,000	60,000	All wards	Renewal of Existing Assets
ICT	Digital City Services / Services Integrator (Wi-Fi)	Yes	Infrastructure	Other		131,100	28,500	39,348	31,252	32,000	All wards	Renewal of Existing Assets
ICT	Enterprise Architecture/ Business process management includi	Yes	Infrastructure	Other	To be Provided for Projects	126,485	11,485	30,000	40,000	45,000	All wards	Renewal of Existing Assets

EKU Ekurhuleni Metro - Supporting Table SA36 Detailed capital budget															
Municipal Vote/Capital project		Program/Project description		Individually Approved (Yes/No)	Asset Class	Asset Sub-Class	GPS co-ordinates	Total Project Estimate	Prior year outcomes		2015/16 Medium Term Revenue & Expenditure Framework			Project information	
				6	3	3	5		Current Year 2014/15	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18	Ward location	New or renewal	
R thousand	ICT	ERP Phase 1	Yes	Infrastructure	Other		28 299-26 222	323,500	9,500	100,000	100,000	120,000	All wards	Renewal of Existing Assets	
	ICT	Unified Command Centre	Yes	Infrastructure	Other		28 202-26 344	12,825	12,825	-	-	-	22	Renewal of Existing Assets	
	ICT	Migration to Next Generation Network	Yes	Infrastructure	Other			41,400	28,500	12,900	-	-	-	All wards	Renewal of Existing Assets
	ICT	Security for ICT Infrastructure	Yes	Infrastructure	Other			98,500	28,500	20,000	25,000	25,000	All wards	Renewal of Existing Assets	
	ICT	Refurbishment of existing call centre	Yes	Infrastructure	Other		28 244-26 029	95,000	-	35,000	35,000	25,000	All wards	Renewal of Existing Assets	
	ICT	Upgrade of Data Centers and Disaster Recovery centre	Yes	Infrastructure	Other		28 202-26 272	36,703	4,703	10,000	10,000	12,000	All wards	Renewal of Existing Assets	
	ICT	Re-govern - Wi-Fi rolled out to 60% of all Council Facilities	Yes	Infrastructure	Other		28 188-26 233	10,000	-	10,000	-	-	-	All wards	Renewal of Existing Assets
	Internal Audit	Upgrade of Office building	Yes	Other Assets	Other Land and Buildings			171	31	-	140	-	-	94	Renewal of Existing Assets
	Operational Equipment	Operational Equipment	Yes	Other Assets	Other Motor Vehicles			1,818,402	490,994	413,003	396,232	518,174	Operational Equipment	Renewal of Existing Assets	
	Real Estate	Brownfield Property Acquisition	Yes	Other Assets	Other Land and Buildings			197,500	47,500	50,000	50,000	50,000	36	New	
	Real Estate	Construction of Civic Tower	Yes	Other Assets	Other Land and Buildings			585,000	-	10,000	50,000	525,000	36	New	
	Real Estate	Construction of Legislature House	Yes	Other Assets	Other Land and Buildings	No/No		20,000	-	2,500	8,000	9,500	88	New	
	Real Estate	Densification of Council Buildings	Yes	Other Assets	Other Land and Buildings			38,000	38,000	-	-	-	26,32,37,36,73,19	Renewal of Existing Assets	
	Real Estate	Densification of Council Buildings Kempton Park	Yes	Other Assets	Other Land and Buildings			60,000	-	20,000	20,000	20,000	16	Renewal of Existing Assets	
	Real Estate	Densification of Council Buildings Boksburg	Yes	Other Assets	Other Land and Buildings	No/No		25,000	-	5,000	10,000	10,000	32	Renewal of Existing Assets	
	Real Estate	Densification of Council Buildings Alberton	Yes	Other Assets	Other Land and Buildings	No/No		40,000	-	20,000	10,000	10,000	37	Renewal of Existing Assets	
	Real Estate	Densification of Council Buildings Benoni	Yes	Other Assets	Other Land and Buildings	No/No		35,000	-	15,000	10,000	10,000	27	Renewal of Existing Assets	
	Real Estate	Fencing of Facilities	Yes	Community	Establishment of Parks & Gardens			10,000	-	-	-	-	10,000	All wards	New
	Real Estate	Germiston Civic Precinct	Yes	Other Assets	Other Land and Buildings			157,500	47,500	50,000	30,000	30,000	36	Renewal of Existing Assets	
	Real Estate	Refurbishment of Lettable Facilities	Yes	Other Assets	Other Land and Buildings			25,200	15,200	-	-	-	10,000	Multi Wards	Renewal of Existing Assets
	Real Estate	Refurbishment of Lettable Facilities - Germiston lake, Aboussons	Yes	Other Assets	Other Land and Buildings			4,000	-	4,000	-	-	-	36	Renewal of Existing Assets
	Real Estate	Refurbishment of Lettable Facilities - Kiva Thema Detective off	Yes	Other Assets	Other Land and Buildings			16,000	-	16,000	-	-	-	78	Renewal of Existing Assets
	Real Estate	Refurbishment of Lettable Facilities - Gyollis Farm	Yes	Other Assets	Other Land and Buildings			5,000	-	5,000	-	-	-	20	Renewal of Existing Assets
	Real Estate	Security upgrade of facilities	Yes	Other Assets	Security Measures			10,000	-	-	-	-	10,000	All wards	Renewal of Existing Assets
	Real Estate	Upgrade and renewal of buildings around EMM	Yes	Other Assets	Other Land and Buildings			14,750	4,750	10,000	-	-	-	All wards	Renewal of Existing Assets
	Real Estate	Upgrade of Electro Mechanical Installations in EMM Buildings	Yes	Other Assets	Other Land and Buildings			25,000	-	5,000	10,000	10,000	10,000	All wards	Renewal of Existing Assets
Roads and Stormwater	Roads: Low Cost Housing: East	Yes	Infrastructure	Roads, Pavements, Bridges & Stormwater			134,305	49,305	-	-	45,000	40,000	Multi Wards	New	
Roads and Stormwater	Roads: Low Cost Housing: East/Barbet Street, Swallow Road	Yes	Infrastructure	Roads, Pavements, Bridges & Stormwater			4,900	-	4,900	-	-	-	24	New	
Roads and Stormwater	Roads: Low Cost Housing: East/Tsavo road at Extension 34	Yes	Infrastructure	Roads, Pavements, Bridges & Stormwater			150	-	150	-	-	-	26	New	
Roads and Stormwater	Roads: Low Cost Housing: East/Mogopgo, Madiba, Ekurhuleni	Yes	Infrastructure	Roads, Pavements, Bridges & Stormwater			3,500	-	3,500	-	-	-	65	New	
Roads and Stormwater	Roads: Low Cost Housing: East/26th Street in 2015/2016/2017	Yes	Infrastructure	Roads, Pavements, Bridges & Stormwater			2,500	-	2,500	-	-	-	66	New	
Roads and Stormwater	Roads: Low Cost Housing: East/Gebala Road and Roads in Cl	Yes	Infrastructure	Roads, Pavements, Bridges & Stormwater			4,000	-	4,000	-	-	-	68	New	
Roads and Stormwater	Roads: Low Cost Housing: East/Seabata Road and Roads in Cl	Yes	Infrastructure	Roads, Pavements, Bridges & Stormwater			2,900	-	2,900	-	-	-	69	New	
Roads and Stormwater	Roads: Low Cost Housing: East/Tarring of Vivienne drive, other	Yes	Infrastructure	Roads, Pavements, Bridges & Stormwater			2,500	-	2,500	-	-	-	77	New	
Roads and Stormwater	Roads: Low Cost Housing: East/Masango, Mphahlela, Mphela	Yes	Infrastructure	Roads, Pavements, Bridges & Stormwater			2,500	-	2,500	-	-	-	86	New	
Roads and Stormwater	Roads: Low Cost Housing: East/Masechaba, Mojela, JB Max	Yes	Infrastructure	Roads, Pavements, Bridges & Stormwater			2,600	-	2,600	-	-	-	87	New	
Roads and Stormwater	Roads: Low Cost Housing: East/Winnie Mandela, Robinson Ex	Yes	Infrastructure	Roads, Pavements, Bridges & Stormwater			2,600	-	2,600	-	-	-	96	New	
Roads and Stormwater	Roads: Low Cost Housing: East/Tau Drive (+ 1.2 km) and Kgal	Yes	Infrastructure	Roads, Pavements, Bridges & Stormwater			3,700	-	3,700	-	-	-	97	New	
Roads and Stormwater	Roads: Low Cost Housing: East/Sable Street, Leachville	Yes	Infrastructure	Roads, Pavements, Bridges & Stormwater			500	-	500	-	-	-	98	New	
Roads and Stormwater	Roads: Low Cost Housing: East/Bridge at corner, Leopeng and	Yes	Infrastructure	Roads, Pavements, Bridges & Stormwater			150	-	150	-	-	-	98	New	
Roads and Stormwater	Roads: Low Cost Housing: North	Yes	Infrastructure	Roads, Pavements, Bridges & Stormwater			40,400	11,400	-	-	19,000	10,000	Multi Wards	New	
Roads and Stormwater	Roads: Low Cost Housing: North/Patrice Lumumba	Yes	Infrastructure	Roads, Pavements, Bridges & Stormwater			2,400	-	2,400	-	-	-	2	New	
Roads and Stormwater	Roads: Low Cost Housing: North/Nomzamo	Yes	Infrastructure	Roads, Pavements, Bridges & Stormwater			2,400	-	2,400	-	-	-	3	New	
Roads and Stormwater	Roads: Low Cost Housing: North/Esseen Park ext 1 Link Road	Yes	Infrastructure	Roads, Pavements, Bridges & Stormwater			2,400	-	2,400	-	-	-	8	New	
Roads and Stormwater	Roads: Low Cost Housing: North/Lideng, Erf 9	Yes	Infrastructure	Roads, Pavements, Bridges & Stormwater			1,800	-	1,800	-	-	-	9	New	
Roads and Stormwater	Roads: Low Cost Housing: North/Sivana Section and Environs	Yes	Infrastructure	Roads, Pavements, Bridges & Stormwater			4,600	-	4,600	-	-	-	14	New	

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							Current Year	Budget Year	Budget Year	Budget Year	Ward location	New or renewal
							2014/15	2015/16	+1 2016/17	+2 2017/18		
R thousand		6	3	3	5							
Roads and Stormwater	Roads: Low Cost Housing: North Moshoshe	Yes	Infrastructure	Roads, Pavements, Bridges & Stormwater		2,400	-	2,400	-	-	89	New
Roads and Stormwater	Roads: Low Cost Housing: North Completion Esselen Park Road	Yes	Infrastructure	Roads, Pavements, Bridges & Stormwater		1,000	-	1,000	-	-	91	New
Roads and Stormwater	Roads: Low Cost Housing: South	Yes	Infrastructure	Roads, Pavements, Bridges & Stormwater		98,750	23,750	-	40,000	35,000	Multi Wards	New
Roads and Stormwater	Roads: Low Cost Housing: South Meazwe street, Kot street, An	Yes	Infrastructure	Roads, Pavements, Bridges & Stormwater		3,300	-	3,300	-	-	51	New
Roads and Stormwater	Roads: Low Cost Housing: South 2015/16, Road 1 Palm Ridge	Yes	Infrastructure	Roads, Pavements, Bridges & Stormwater		8,200	-	8,200	-	-	53	New
Roads and Stormwater	Roads: Low Cost Housing: South Zimbabwe and other	Yes	Infrastructure	Roads, Pavements, Bridges & Stormwater		1,800	-	1,800	-	-	58	New
Roads and Stormwater	Roads: Low Cost Housing: South 1st street - zondekzwe st	Yes	Infrastructure	Roads, Pavements, Bridges & Stormwater		600	-	600	-	-	61	New
Roads and Stormwater	Roads: Low Cost Housing: South 2nd Street	Yes	Infrastructure	Roads, Pavements, Bridges & Stormwater		3,900	-	3,900	-	-	61	New
Roads and Stormwater	Roads: Low Cost Housing: South 3rd Street	Yes	Infrastructure	Roads, Pavements, Bridges & Stormwater		1,100	-	1,100	-	-	61	New
Roads and Stormwater	Roads: Low Cost Housing: South 4th Street	Yes	Infrastructure	Roads, Pavements, Bridges & Stormwater		900	-	900	-	-	61	New
Roads and Stormwater	Roads: Low Cost Housing: South 5th Street	Yes	Infrastructure	Roads, Pavements, Bridges & Stormwater		1,400	-	1,400	-	-	61	New
Roads and Stormwater	Roads: Low Cost Housing: South Outer Years	Yes	Infrastructure	Roads, Pavements, Bridges & Stormwater		300	-	300	-	-	61	New
Roads and Stormwater	Roads: Low Cost Housing: South 24th Street - zondekzwe st	Yes	Infrastructure	Roads, Pavements, Bridges & Stormwater		2,300	-	2,300	-	-	62	New
Roads and Stormwater	Roads: Low Cost Housing: South 25th Avenue	Yes	Infrastructure	Roads, Pavements, Bridges & Stormwater		1,270	-	1,270	-	-	62	New
Roads and Stormwater	Roads: Low Cost Housing: South 26th Street	Yes	Infrastructure	Roads, Pavements, Bridges & Stormwater		750	-	750	-	-	62	New
Roads and Stormwater	Roads: Low Cost Housing: South 27th Street	Yes	Infrastructure	Roads, Pavements, Bridges & Stormwater		600	-	600	-	-	62	New
Roads and Stormwater	Roads: Low Cost Housing: South 28th Street	Yes	Infrastructure	Roads, Pavements, Bridges & Stormwater		500	-	500	-	-	62	New
Roads and Stormwater	Roads: Low Cost Housing: South 23rd Street	Yes	Infrastructure	Roads, Pavements, Bridges & Stormwater		1,100	-	1,100	-	-	62	New
Roads and Stormwater	Roads: Low Cost Housing: South Outer Years	Yes	Infrastructure	Roads, Pavements, Bridges & Stormwater		300	-	300	-	-	62	New
Roads and Stormwater	Roads: Low Cost Housing: South Naledi	Yes	Infrastructure	Roads, Pavements, Bridges & Stormwater		900	-	900	-	-	101	New
Roads and Stormwater	Roads: Low Cost Housing: South Ncambu	Yes	Infrastructure	Roads, Pavements, Bridges & Stormwater		780	-	780	-	-	101	Renewal of Existing Assets
Roads and Stormwater	Aerobopolis: Rhodesfield road network	Yes	Infrastructure	Roads, Pavements, Bridges & Stormwater		62,700	5,700	7,000	20,000	30,000	17	New
Roads and Stormwater	Atlasville Spruit flood management	Yes	Infrastructure	Roads, Pavements, Bridges & Stormwater		13,200	5,700	6,500	500	500	23	Renewal of Existing Assets
Roads and Stormwater	Bedfordview Stormwater Protection	Yes	Infrastructure	Roads, Pavements, Bridges & Stormwater		7,700	3,800	3,000	700	200	20	Renewal of Existing Assets
Roads and Stormwater	Bedfordview, Geometric Rd Improvement (Including Edenvale)	Yes	Infrastructure	Roads, Pavements, Bridges & Stormwater		15,375	2,375	3,000	5,000	5,000	20	Renewal of Existing Assets
Roads and Stormwater	Benoni, Const of S W Outfall Rynild	Yes	Infrastructure	Roads, Pavements, Bridges & Stormwater		1,475	475	500	500	-	27	Renewal of Existing Assets
Roads and Stormwater	Bergvlei Drive: Reconstruction & widening	Yes	Infrastructure	Roads, Pavements, Bridges & Stormwater		24,700	5,700	7,000	8,000	4,000	13	Renewal of Existing Assets
Roads and Stormwater	Const. Of Small Holding Roads(Eastern Region)Gum Road	Yes	Infrastructure	Roads, Pavements, Bridges & Stormwater		7,900	1,900	2,000	2,000	2,000	100	Renewal of Existing Assets
Roads and Stormwater	Const. Of Small Holding Roads(Eastern Region)Acron and Jar	Yes	Infrastructure	Roads, Pavements, Bridges & Stormwater		6,000	-	2,000	2,000	2,000	100	Renewal of Existing Assets
Roads and Stormwater	Const. Of Small Holding Roads(Eastern Region)Kaat	Yes	Infrastructure	Roads, Pavements, Bridges & Stormwater		3,000	-	1,000	1,000	1,000	100	Renewal of Existing Assets
Roads and Stormwater	Construct Daveyton CBD/N12 Interchange	Yes	Infrastructure	Roads, Pavements, Bridges & Stormwater		42,000	-	2,000	20,000	20,000	68,70,71,72	Renewal of Existing Assets
Roads and Stormwater	Construction of K86	Yes	Infrastructure	Roads, Pavements, Bridges & Stormwater		32,000	-	2,000	20,000	10,000	24,25,26,96	Renewal of Existing Assets
Roads and Stormwater	Contribution Township Development	Yes	Infrastructure	Roads, Pavements, Bridges & Stormwater		2,500	-	500	1,000	1,000	Multi Wards	Renewal of Existing Assets
Roads and Stormwater	De-silting Elsburg dam	Yes	Infrastructure	Roads, Pavements, Bridges & Stormwater		1,245	95	150	500	500	39	Renewal of Existing Assets
Roads and Stormwater	Doubling Barry Meara Rd	Yes	Infrastructure	Roads, Pavements, Bridges & Stormwater		17,500	-	6,500	6,000	5,000	31,99,43,45	Renewal of Existing Assets
Roads and Stormwater	Replacement of Railway Sidings (Nigel)	Yes	Infrastructure	Roads, Pavements, Bridges & Stormwater		8,550	-	-	-	-	88	Renewal of Existing Assets
Roads and Stormwater	Eastern Reg. Impl New Traffic Sign	Yes	Infrastructure	Roads, Pavements, Bridges & Stormwater		3,000	-	-	2,000	1,000	Multi Wards	New
Roads and Stormwater	Eastleigh Spruit Channel	Yes	Infrastructure	Roads, Pavements, Bridges & Stormwater		31,000	9,500	5,500	8,000	8,000	18,19	Renewal of Existing Assets
Roads and Stormwater	Elendstroom, SW Implementation (North)	Yes	Infrastructure	Roads, Pavements, Bridges & Stormwater		9,425	1,425	3,000	3,000	2,000	92	Renewal of Existing Assets
Roads and Stormwater	Extension of Albernia Sisulu Expressway	Yes	Infrastructure	Roads, Pavements, Bridges & Stormwater		28,900	-	6,900	10,000	10,000	23,100	Renewal of Existing Assets
Roads and Stormwater	Geometric Road Improvements (North)	Yes	Infrastructure	Roads, Pavements, Bridges & Stormwater		23,500	9,500	-	6,000	8,000	Multi Wards	Renewal of Existing Assets
Roads and Stormwater	Geometric Road Improvements (North)Completion Francis Doo	Yes	Infrastructure	Roads, Pavements, Bridges & Stormwater		600	-	600	-	-	22	Renewal of Existing Assets
Roads and Stormwater	Geometric Road Improvements (North)Completion Sam Moleke	Yes	Infrastructure	Roads, Pavements, Bridges & Stormwater		600	-	600	-	-	8,91	Renewal of Existing Assets
Roads and Stormwater	Geometric Road Improvements (North)Doubling Kwalet below	Yes	Infrastructure	Roads, Pavements, Bridges & Stormwater		1,500	-	1,500	-	-	13	Renewal of Existing Assets
Roads and Stormwater	Geometric Road Improvements (North)PTA road/Vlei Street	Yes	Infrastructure	Roads, Pavements, Bridges & Stormwater		1,100	-	1,100	-	-	15	Renewal of Existing Assets

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								Current Year 2014/15	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18	Ward location	New or renewal
R thousand		6	3	3	5								
Roads and Stormwater	Geometric Road Improvements (North)Electon Bend	Yes	Infrastructure	Roads, Pavements, Bridges & Stormwater		1,000	-	1,000	-	-	17	Renewal of Existing Assets	
Roads and Stormwater	Geometric Road Improvements (North)Completion Venus/ Med	Yes	Infrastructure	Roads, Pavements, Bridges & Stormwater		600	-	600	-	-	23	Renewal of Existing Assets	
Roads and Stormwater	Geometric Road Improvements (North)R562/Axle Road Interse	Yes	Infrastructure	Roads, Pavements, Bridges & Stormwater		600	-	600	-	-	89	Renewal of Existing Assets	
Roads and Stormwater	Gladiolus Stormwater System Implement	Yes	Infrastructure	Roads, Pavements, Bridges & Stormwater		11,000	-	3,000	5,000	3,000	17	Renewal of Existing Assets	
Roads and Stormwater	Hamelia / Buwerdail SW Systems	Yes	Infrastructure	Roads, Pavements, Bridges & Stormwater		7,425	1,425	4,000	2,000	-	18,92	Renewal of Existing Assets	
Roads and Stormwater	Hewitt Drive Intersection	Yes	Infrastructure	Roads, Pavements, Bridges & Stormwater		3,750	-	750	2,500	500	32	Renewal of Existing Assets	
Roads and Stormwater	Impala Park and surrounding Stormwater System	Yes	Infrastructure	Roads, Pavements, Bridges & Stormwater		5,500	-	-	500	5,000	23	Renewal of Existing Assets	
Roads and Stormwater	Implement Traffic Signals: East	Yes	Infrastructure	Roads, Pavements, Bridges & Stormwater		5,950	950	1,000	2,000	2,000	Multi Wards	Renewal of Existing Assets	
Roads and Stormwater	Isandovale Erosion Protection Impl (North)	Yes	Infrastructure	Roads, Pavements, Bridges & Stormwater		9,875	2,375	2,500	3,000	2,000	18	Renewal of Existing Assets	
Roads and Stormwater	K138 & Rd 1894 Link Road	Yes	Infrastructure	Roads, Pavements, Bridges & Stormwater		39,350	12,350	15,000	12,000	-	77,81	Renewal of Existing Assets	
Roads and Stormwater	Kaal Spruit rehabilitation	Yes	Infrastructure	Roads, Pavements, Bridges & Stormwater		26,500	-	1,500	15,000	10,000	1	New	
Roads and Stormwater	Katlehong Implementation of Stormwater Masterplan	Yes	Infrastructure	Roads, Pavements, Bridges & Stormwater		41,450	10,450	11,000	12,000	8,000	Multi Wards	New	
Roads and Stormwater	Kraft Barbara Road Intersection Upgrade	Yes	Infrastructure	Roads, Pavements, Bridges & Stormwater		6,950	950	6,000	-	-	21	Renewal of Existing Assets	
Roads and Stormwater	Leachville Roads & Stormwater	Yes	Infrastructure	Roads, Pavements, Bridges & Stormwater		3,000	-	3,000	-	-	97	Renewal of Existing Assets	
Roads and Stormwater	Minor Extensions to Stormwater Gerniston	Yes	Infrastructure	Roads, Pavements, Bridges & Stormwater		3,170	570	600	1,000	1,000	36,35,39,41,93	Renewal of Existing Assets	
Roads and Stormwater	Minor Road Improvements: East	Yes	Infrastructure	Roads, Pavements, Bridges & Stormwater		2,275	475	500	500	800	Multi Wards	Renewal of Existing Assets	
Roads and Stormwater	Minor Works for Roads and SW: South	Yes	Infrastructure	Roads, Pavements, Bridges & Stormwater		2,568	618	650	500	800	Multi Wards	Renewal of Existing Assets	
Roads and Stormwater	Monument Road	Yes	Infrastructure	Roads, Pavements, Bridges & Stormwater		10,700	-	8,500	2,000	200	15	Renewal of Existing Assets	
Roads and Stormwater	N3, Construction of pedestrian bridge between Mapleton & Vos	Yes	Infrastructure	Roads, Pavements, Bridges & Stormwater		15,131	531	14,600	-	-	44,95	New	
Roads and Stormwater	Paving & Sidewalks: East	Yes	Infrastructure	Roads, Pavements, Bridges & Stormwater		13,370	4,370	3,000	3,000	3,000	25,69,73	New	
Roads and Stormwater	Pedestrian Bridges: Greater Tembisa streams	Yes	Infrastructure	Roads, Pavements, Bridges & Stormwater		10,200	1,900	1,300	5,000	2,000	1,2,14,10,90,91,100	New	
Roads and Stormwater	Pedestrian Management East	Yes	Infrastructure	Roads, Pavements, Bridges & Stormwater		5,900	1,900	-	2,000	2,000	Multi Wards	Renewal of Existing Assets	
Roads and Stormwater	Pedestrian Management East	Yes	Infrastructure	Roads, Pavements, Bridges & Stormwater		500	-	500	-	-	23,24,27,28,29,30,73	Renewal of Existing Assets	
Roads and Stormwater	Pedestrian Management East	Yes	Infrastructure	Roads, Pavements, Bridges & Stormwater		500	-	500	-	-	26,65,66,67	Renewal of Existing Assets	
Roads and Stormwater	Pedestrian Management East	Yes	Infrastructure	Roads, Pavements, Bridges & Stormwater		1,500	-	1,500	-	-	25,68,69,70,71,96	Renewal of Existing Assets	
Roads and Stormwater	Pedestrian Management East	Yes	Infrastructure	Roads, Pavements, Bridges & Stormwater		500	-	500	-	-	74,78,77,79	Renewal of Existing Assets	
Roads and Stormwater	Pedestrian Management East	Yes	Infrastructure	Roads, Pavements, Bridges & Stormwater		1,500	-	1,500	-	-	84,86,87,98	Renewal of Existing Assets	
Roads and Stormwater	Pedestrian Management East	Yes	Infrastructure	Roads, Pavements, Bridges & Stormwater		500	-	500	-	-	81,82,83,84,85,86	Renewal of Existing Assets	
Roads and Stormwater	Pedestrian Management Impl. (North)	Yes	Infrastructure	Roads, Pavements, Bridges & Stormwater		25,600	7,600	6,000	6,000	6,000	4,5,7,9,10,11,12,18,	Renewal of Existing Assets	
Roads and Stormwater	Pedestrian Management: South	Yes	Infrastructure	Roads, Pavements, Bridges & Stormwater		15,345	4,845	-	5,500	5,000	Multi Wards	Renewal of Existing Assets	
Roads and Stormwater	Pedestrian Management: South	Yes	Infrastructure	Roads, Pavements, Bridges & Stormwater		680	-	680	-	-	37,94	Renewal of Existing Assets	
Roads and Stormwater	Pedestrian Management: South	Yes	Infrastructure	Roads, Pavements, Bridges & Stormwater		1,020	-	1,020	-	-	34,42,43	Renewal of Existing Assets	
Roads and Stormwater	Pedestrian Management: South	Yes	Infrastructure	Roads, Pavements, Bridges & Stormwater		680	-	680	-	-	21,93	Renewal of Existing Assets	
Roads and Stormwater	Pedestrian Management: South	Yes	Infrastructure	Roads, Pavements, Bridges & Stormwater		1,360	-	1,360	-	-	48,49,50,51	Renewal of Existing Assets	
Roads and Stormwater	Pedestrian Management: South	Yes	Infrastructure	Roads, Pavements, Bridges & Stormwater		1,020	-	1,020	-	-	52,54,57	Renewal of Existing Assets	
Roads and Stormwater	Pedestrian Management: South	Yes	Infrastructure	Roads, Pavements, Bridges & Stormwater		340	-	340	-	-	45	Renewal of Existing Assets	
Roads and Stormwater	Pomona Roads (including Brentwood Park)	Yes	Infrastructure	Roads, Pavements, Bridges & Stormwater		18,000	-	6,000	6,000	6,000	100,23	Renewal of Existing Assets	
Roads and Stormwater	Pomona Stormwater System	Yes	Infrastructure	Roads, Pavements, Bridges & Stormwater		19,900	1,900	7,000	7,000	4,000	23	Renewal of Existing Assets	
Roads and Stormwater	Pretoria Road Upgrading	Yes	Infrastructure	Roads, Pavements, Bridges & Stormwater		25,650	6,650	11,000	5,000	3,000	24, 27	Renewal of Existing Assets	
Roads and Stormwater	Provide Paving on erf 265 West Gerniston for parking purpose	Yes	Infrastructure	Roads, Pavements, Bridges & Stormwater		4,200	-	4,200	-	-	36	Renewal of Existing Assets	
Roads and Stormwater	Quinine Rd Stormwater System	Yes	Infrastructure	Roads, Pavements, Bridges & Stormwater		13,710	1,710	4,000	4,000	4,000	-	15	Renewal of Existing Assets
Roads and Stormwater	Raceview Stormwater Drainage system upgrades	Yes	Infrastructure	Roads, Pavements, Bridges & Stormwater		6,500	-	-	500	6,000	37	Renewal of Existing Assets	
Roads and Stormwater	Ravenswood Rd. Construction (Future)	Yes	Infrastructure	Roads, Pavements, Bridges & Stormwater		12,680	190	5,000	7,000	500	22	Renewal of Existing Assets	
Roads and Stormwater	Rehabilitate Dam Spillways	Yes	Infrastructure	Roads, Pavements, Bridges & Stormwater		3,000	-	3,000	-	-	28,31,73,88,97	Renewal of Existing Assets	
Roads and Stormwater	Rehabilitate Roads in Eastern Region	Yes	Infrastructure	Roads, Pavements, Bridges & Stormwater		115,775	5,775	45,000	30,000	35,000	Multi Wards	Renewal of Existing Assets	

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								Current Year 2014/15	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18	Ward location	New or renewal
R thousand		6	3	3	5								
Roads and Stormwater	Rehabilitation of Roads (North)	Yes	Infrastructure	Roads, Pavements, Bridges & Stormwater		109,750	4,750	40,000	25,000	40,000	Multi Wards	Renewal of Existing Assets	
Roads and Stormwater	Rehabilitation of roads: South	Yes	Infrastructure	Roads, Pavements, Bridges & Stormwater		64,750	4,750	-	30,000	30,000	Multi Wards	Renewal of Existing Assets	
Roads and Stormwater	Rehabilitation of roads: South According to PMS Currently under	Yes	Infrastructure	Roads, Pavements, Bridges & Stormwater		37,500	-	37,500	-	-	Multi Wards	Renewal of Existing Assets	
Roads and Stormwater	Rehabilitation of roads: South Resurfacing of Refinery between	Yes	Infrastructure	Roads, Pavements, Bridges & Stormwater		2,000	-	2,000	-	-	Multi Wards	Renewal of Existing Assets	
Roads and Stormwater	Rehabilitation of roads: South Fixing of Pedestrian bridge over S	Yes	Infrastructure	Roads, Pavements, Bridges & Stormwater		500	-	500	-	-	Multi Wards	Renewal of Existing Assets	
Roads and Stormwater	Rehabilitation of roads: South Re-surfacing of Roads in Freeval	Yes	Infrastructure	Roads, Pavements, Bridges & Stormwater		3,000	-	3,000	-	-	Multi Wards	Renewal of Existing Assets	
Roads and Stormwater	Rehabilitation of roads: South Completion and Rehabilitation for	Yes	Infrastructure	Roads, Pavements, Bridges & Stormwater		2,000	-	2,000	-	-	Multi Wards	Renewal of Existing Assets	
Roads and Stormwater	Replacement of Traffic Signals with LED Heads: East	Yes	Infrastructure	Roads, Pavements, Bridges & Stormwater		1,975	475	500	500	500	Multi Wards	Renewal of Existing Assets	
Roads and Stormwater	Roads East (AS and When)	Yes	Infrastructure	Roads, Pavements, Bridges & Stormwater		148,075	73,075	25,000	25,000	25,000	Multi Wards	New	
Roads and Stormwater	Roads on Dolomite	Yes	Infrastructure	Roads, Pavements, Bridges & Stormwater		29,500	9,500	-	10,000	10,000	Multi Wards	Renewal of Existing Assets	
Roads and Stormwater	Roads on Dolomite Bokutoo street	Yes	Infrastructure	Roads, Pavements, Bridges & Stormwater		1,100	-	1,100	-	-	-	39	Renewal of Existing Assets
Roads and Stormwater	Roads on Dolomite Ndarine Street	Yes	Infrastructure	Roads, Pavements, Bridges & Stormwater		1,900	-	1,900	-	-	-	39	Renewal of Existing Assets
Roads and Stormwater	Roads on Dolomite Mulberry and Cobonester	Yes	Infrastructure	Roads, Pavements, Bridges & Stormwater		2,000	-	2,000	-	-	-	95	Renewal of Existing Assets
Roads and Stormwater	Roads on Dolomite Ockle Street and Elbe street in 2015/16 Out	Yes	Infrastructure	Roads, Pavements, Bridges & Stormwater		5,000	-	5,000	-	-	-	101	Renewal of Existing Assets
Roads and Stormwater	Rover St Widening in Henville (Future)	Yes	Infrastructure	Roads, Pavements, Bridges & Stormwater		400	-	-	-	400	-	92	Renewal of Existing Assets
Roads and Stormwater	Sandpan Areas Stormwater Outfall	Yes	Infrastructure	Roads, Pavements, Bridges & Stormwater		7,675	475	5,000	2,000	200 27	-	32	Renewal of Existing Assets
Roads and Stormwater	Somerveld Stormwater Upgrading	Yes	Infrastructure	Roads, Pavements, Bridges & Stormwater		1,000	-	1,000	-	-	-	32	Renewal of Existing Assets
Roads and Stormwater	Soupbansheng Drive Intersect Upgrading	Yes	Infrastructure	Roads, Pavements, Bridges & Stormwater		300	-	-	-	300	-	16	Renewal of Existing Assets
Roads and Stormwater	Stormwater (AS and When) East	Yes	Infrastructure	Roads, Pavements, Bridges & Stormwater		94,000	19,000	25,000	25,000	25,000	Multi Wards	New	
Roads and Stormwater	Stormwater improvements (Minor) (North)	Yes	Infrastructure	Roads, Pavements, Bridges & Stormwater		15,155	4,655	-	5,500	5,000	Multi Wards	Renewal of Existing Assets	
Roads and Stormwater	Stormwater improvements (Minor) (North) Stormwater in Mant	Yes	Infrastructure	Roads, Pavements, Bridges & Stormwater		800	-	800	-	-	-	6	Renewal of Existing Assets
Roads and Stormwater	Stormwater improvements (Minor) (North) Tembisa clinic opp	Yes	Infrastructure	Roads, Pavements, Bridges & Stormwater		100	-	100	-	-	-	6	Renewal of Existing Assets
Roads and Stormwater	Stormwater improvements (Minor) (North) SW in Temong Tlan	Yes	Infrastructure	Roads, Pavements, Bridges & Stormwater		300	-	300	-	-	-	7	Renewal of Existing Assets
Roads and Stormwater	Stormwater improvements (Minor) (North) SW in Illiba, Emoyel	Yes	Infrastructure	Roads, Pavements, Bridges & Stormwater		300	-	300	-	-	-	8	Renewal of Existing Assets
Roads and Stormwater	Stormwater improvements (Minor) (North) SW in Mosu area	Yes	Infrastructure	Roads, Pavements, Bridges & Stormwater		400	-	400	-	-	-	9	Renewal of Existing Assets
Roads and Stormwater	Stormwater improvements (Minor) (North) Subsoil Lawrence P	Yes	Infrastructure	Roads, Pavements, Bridges & Stormwater		800	-	800	-	-	-	11	Renewal of Existing Assets
Roads and Stormwater	Stormwater improvements (Minor) (North) Stormwater pipe/da	Yes	Infrastructure	Roads, Pavements, Bridges & Stormwater		800	-	800	-	-	-	11	Renewal of Existing Assets
Roads and Stormwater	Stormwater improvements (Minor) (North) Stormwater pipe/da	Yes	Infrastructure	Roads, Pavements, Bridges & Stormwater		600	-	600	-	-	-	13	Renewal of Existing Assets
Roads and Stormwater	Stormwater improvements (Minor) (North) Pikkewyn Subsurfa	Yes	Infrastructure	Roads, Pavements, Bridges & Stormwater		1,000	-	1,000	-	-	-	91	Renewal of Existing Assets
Roads and Stormwater	Stormwater improvements (Minor) (North) Fencing Birch Acres	Yes	Infrastructure	Roads, Pavements, Bridges & Stormwater		400	-	400	-	-	-	92	Renewal of Existing Assets
Roads and Stormwater	Stormwater improvements (Minor) (North) Khushie Street Sub	Yes	Infrastructure	Roads, Pavements, Bridges & Stormwater		40,750	4,750	26,000	5,000	5,000	Multi Wards	Renewal of Existing Assets	
Roads and Stormwater	Stormwater Upgrades (South)	Yes	Infrastructure	Roads, Pavements, Bridges & Stormwater		19,000	-	19,000	-	-	-	56	Renewal of Existing Assets
Roads and Stormwater	Stormwater Upgrading Thintwa	Yes	Infrastructure	Roads, Pavements, Bridges & Stormwater		13,055	2,755	2,300	4,000	4,000	44, 45, 46, 47, 64, 91	New	
Roads and Stormwater	SW in Vosloos	Yes	Infrastructure	Roads, Pavements, Bridges & Stormwater		10,750	4,750	2,000	2,000	2,000	16, 17	Renewal of Existing Assets	
Roads and Stormwater	Swaartspuit Rehabilitation: Kempton Park	Yes	Infrastructure	Roads, Pavements, Bridges & Stormwater		17,850	2,850	10,000	5,000	-	-	14	Renewal of Existing Assets
Roads and Stormwater	Tembisa Depot Upgrading	Yes	Other Assets	Other Land and Buildings		2,375	-	-	-	-	57	New	
Roads and Stormwater	Phola Park Roads and SW	Yes	Infrastructure	Roads, Pavements, Bridges & Stormwater		8,550	2,375	-	-	-	-	-	
Roads and Stormwater	Pomona Roads	Yes	Infrastructure	Roads, Pavements, Bridges & Stormwater		3,515	8,550	-	-	-	23, 100	Renewal of Existing Assets	
Roads and Stormwater	Rondebult/Buklepark Roads & SW	Yes	Infrastructure	Roads, Pavements, Bridges & Stormwater		7,600	7,600	-	-	-	41	New	
Roads and Stormwater	Tokosa Implementation of Stormwater Masterplan	Yes	Infrastructure	Roads, Pavements, Bridges & Stormwater		2,850	7,600	-	-	-	52, 54, 56, 57, 58	New	
Roads and Stormwater	Upgrade of First Road: Puthleth	Yes	Infrastructure	Roads, Pavements, Bridges & Stormwater		2,850	2,850	-	-	-	24	Renewal of Existing Assets	
Roads and Stormwater	Tembisa Natural Watercourses upgrading	Yes	Infrastructure	Roads, Pavements, Bridges & Stormwater		13,500	-	1,500	6,000	6,000	-	10	Renewal of Existing Assets
Roads and Stormwater	Tertiary Rds South Dept Construction	Yes	Infrastructure	Roads, Pavements, Bridges & Stormwater		4,000	-	4,000	-	-	-	59	Renewal of Existing Assets
Roads and Stormwater	Tertiary Roads (South)	Yes	Infrastructure	Roads, Pavements, Bridges & Stormwater		71,650	25,650	16,000	15,000	15,000	Multi Wards	New	
Roads and Stormwater	Tertiary Roads in Kalesong, Bulle Park & Zonkizwe Ext 1	Yes	Infrastructure	Roads, Pavements, Bridges & Stormwater		63,891	39,891	6,000	10,000	8,000	40, 62	New	
Roads and Stormwater	Tertiary Roads in Thokozane Phase 3	Yes	Infrastructure	Roads, Pavements, Bridges & Stormwater		6,825	3,325	3,500	-	-	52, 54, 56, 57, 58	New	

EKU Ekurhuleni Metro - Supporting Table SA36 Detailed capital budget												
Municipal Vote/Capital project	Program/Project description	Individually Approved (Yes/No)	Asset Class	Asset Sub-Class	GPS co-ordinates	Total Project Estimate	Prior year outcomes	2015/16 Medium Term Revenue & Expenditure Framework			Project information	
R thousand		6	3	3	5		Current Year 2014/15	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18	Ward location	New or renewal
Roads and Stormwater	Tertiary Roads in Vosloorus- Phase 3	Yes	Infrastructure	Roads, Pavements, Bridges & Stormwater		20,320	16,720	3,600	-	-	44, 45, 46, 47, 64, 98	New
Roads and Stormwater	Tertiary Roads: North	Yes	Infrastructure	Roads, Pavements, Bridges & Stormwater		98,200	53,200	20,000	15,000	10,000	1,2,4,5,6,7,12,89	New
Roads and Stormwater	Township Develop Ext Services (North)	Yes	Infrastructure	Roads, Pavements, Bridges & Stormwater		16,850	2,850	3,000	6,000	5,000	Multi Wards	Renewal of Existing Assets
Roads and Stormwater	Township Develop Ext Services ex Contributions	Yes	Infrastructure	Roads, Pavements, Bridges & Stormwater		4,925	1,425	1,500	1,000	1,000	Multi Wards	New
Roads and Stormwater	Traffic Calming (North)	Yes	Infrastructure	Roads, Pavements, Bridges & Stormwater		3,350	950	800	800	800	Multi Wards	Renewal of Existing Assets
Roads and Stormwater	Traffic Calming in the Eastern Region	Yes	Infrastructure	Roads, Pavements, Bridges & Stormwater		3,500	1,900	-	800	800	Multi Wards	Renewal of Existing Assets
Roads and Stormwater	Traffic Calming South	Yes	Infrastructure	Roads, Pavements, Bridges & Stormwater		4,045	1,045	1,000	1,000	1,000	Multi Wards	Renewal of Existing Assets
Roads and Stormwater	Traffic Signal SARTSM Compliance	Yes	Infrastructure	Roads, Pavements, Bridges & Stormwater		1,000	-	-	500	500	Multi Wards	Renewal of Existing Assets
Roads and Stormwater	Traffic Signal Upgrades: East	Yes	Infrastructure	Roads, Pavements, Bridges & Stormwater		6,400	1,900	2,500	1,000	1,000	Multi Wards	Renewal of Existing Assets
Roads and Stormwater	Traffic Signal Upgrades: South	Yes	Infrastructure	Roads, Pavements, Bridges & Stormwater		21,725	5,225	5,500	5,500	5,500	Multi Wards	Renewal of Existing Assets
Roads and Stormwater	Traffic Signals Upgrading (North)	Yes	Infrastructure	Roads, Pavements, Bridges & Stormwater		12,800	3,800	3,000	3,000	3,000	Multi Wards	Renewal of Existing Assets
Roads and Stormwater	Trichardt Rd from North Rand to Impela Park	Yes	Infrastructure	Roads, Pavements, Bridges & Stormwater		9,000	-	1,000	6,000	2,000		92 Renewal of Existing Assets
Roads and Stormwater	Tunney Rds: Brollo & Brockfields rds	Yes	Infrastructure	Roads, Pavements, Bridges & Stormwater		13,000	-	5,000	6,000	2,000		92 Renewal of Existing Assets
Roads and Stormwater	Upgrade Joe Mzamane Road Kwa- Thema	Yes	Infrastructure	Roads, Pavements, Bridges & Stormwater		10,095	95	10,000	-	-	77, 80	Renewal of Existing Assets
Roads and Stormwater	Upgrade of Roads Deposits: East	Yes	Other Assets	Other Land and Buildings		2,500	-	-	500	2,000	73,74,75,88	Renewal of Existing Assets
Roads and Stormwater	Upgrading of Agric holding Roads (North)	Yes	Infrastructure	Roads, Pavements, Bridges & Stormwater		17,700	5,700	4,000	4,000	4,000		100 Renewal of Existing Assets
Roads and Stormwater	Upgrading of Michelle street	Yes	Infrastructure	Roads, Pavements, Bridges & Stormwater		9,370	4,370	-	5,000	-		38 Renewal of Existing Assets
Roads and Stormwater	Vosloorus New Depot	Yes	Other Assets	Other Land and Buildings		6,000	-	6,000	-	-		95 New
Roads and Stormwater	Vredobos Stormwater Drainage Installation	Yes	Infrastructure	Roads, Pavements, Bridges & Stormwater		4,500	-	-	500	4,000		31 Renewal of Existing Assets
Roads and Stormwater	Wildfield SW System	Yes	Infrastructure	Roads, Pavements, Bridges & Stormwater		9,950	950	4,000	3,000	2,000		33 Renewal of Existing Assets
Roads and Stormwater	Etterwa Stormwater	Yes	Infrastructure	Roads, Pavements, Bridges & Stormwater		7,850	2,850	5,000	-	-	25,26,65,66,67	New
Roads and Stormwater	Install SW in Palm Ridge	Yes	Infrastructure	Roads, Pavements, Bridges & Stormwater		10,875	2,375	4,000	2,500	2,000	61,101,58	New
Roads and Stormwater	Kaleleng & Thokoza, Lining of Canal between Kaleleng and	Yes	Infrastructure	Roads, Pavements, Bridges & Stormwater		1,550	-	1,550	-	-	52,54	New
Roads and Stormwater	Kwa-Thema Stormwater	Yes	Infrastructure	Roads, Pavements, Bridges & Stormwater		3,000	-	3,000	-	-	74,76,77,78,79,80	Renewal of Existing Assets
Roads and Stormwater	Provision of Pedestrian Bridge between Zonkizwe and Palm	Yes	Infrastructure	Roads, Pavements, Bridges & Stormwater		5,500	-	-	500	5,000	61, 101	New
SRAC	Construction of a new Bonaparte Park Library	Yes	Community	Libraries		1,000	-	-	-	1,000		31 New
SRAC	Construction: Abulon facilities	Yes	Community	Libraries		6,425	1,425	2,000	3,000	-		23 New
SRAC	Construction: New Library: Brakpan	Yes	Community	Libraries		15,082	12,882	2,200	-	-	97	New
SRAC	Fencing: Sport & Recreational Facilities	Yes	Community	Sportsfields		7,425	1,425	1,000	2,000	3,000		88 Renewal of Existing Assets
SRAC	Recapitalisation of Libraries	Yes	Community	Libraries		17,000	-	3,000	8,000	6,000	Multi Wards	New
SRAC	Chris Hani Memorial	Yes	Community	Museums & Art Galleries		2,597	2,597	-	-	-	43	Renewal of Existing Assets
SRAC	Chris Hani Memorial	Yes	Community	Museums & Art Galleries		1,219	1,219	-	-	-	43	Renewal of Existing Assets
SRAC	Construction & Development of Dudaiza Reconciliation Park	Yes	Community	Museums & Art Galleries		9,690	9,690	-	-	-		87 New
SRAC	OR Tambo Precinct Narrative Centre	Yes	Community	Museums & Art Galleries		1,900	1,900	-	-	-	30	New
SRAC	Rehabilitation of Kaleleng Swimming Pool	Yes	Community	Recreational Facilities		359	359	-	-	-		40 New
SRAC	Toilets and guardhouses at various libraries	Yes	Community	Libraries		2,850	2,850	-	-	-	All wards	Renewal of Existing Assets
SRAC	Rehabilitation of Libraries	Yes	Community	Libraries		7,900	1,900	-	4,000	2,000	Multi Wards	Renewal of Existing Assets
SRAC	Rehabilitation of Sport Facilities	Yes	Community	Museums & Art Galleries		34,953	5,953	6,000	8,000	15,000	Multi Wards	Renewal of Existing Assets
SRAC	Rehabilitation of Swimming Pools	Yes	Community	Recreational Facilities		63,450	10,450	17,000	18,000	18,000	67,75,76	Renewal of Existing Assets
SRAC	Resurfacing of Hard Courts	Yes	Community	Recreational Facilities		7,900	1,900	-	3,000	3,000	All wards	Renewal of Existing Assets
SRAC	Primrose Library	Yes	Community	Libraries		188	-	188	-	-		21 Renewal of Existing Assets
SRAC	Bedfordview Library	Yes	Community	Libraries		188	-	188	-	-		20 Renewal of Existing Assets
SRAC	Spruitview	Yes	Community	Libraries		188	-	188	-	-		40 Renewal of Existing Assets
SRAC	Vosloorus	Yes	Community	Libraries		188	-	188	-	-		47 Renewal of Existing Assets
SRAC	Zonkizwe	Yes	Community	Libraries		188	-	188	-	-		62 Renewal of Existing Assets

EKU Ekurhuleni Metro - Supporting Table SA38 Detailed capital budget													
Municipal Vote/Capital project	Program/Project description	Individually Approved (Yes/No)	Asset Class	Asset Sub-Class	GPS co-ordinates	Total Project Estimate	Prior year outcomes		2015/16 Medium Term Revenue & Expenditure Framework			Project Information	
							Current Year 2014/15	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18	Ward location	New or renewal	
R thousand			6	3	5								
SRAC	Elsburg	Yes	Community	Libraries		188	188	188	-	-		32	Renewal of Existing Assets
SRAC	Dimwille	Yes	Community	Libraries		188	188	188	-	-		39	Renewal of Existing Assets
SRAC	Thokoza	Yes	Community	Libraries		188	188	188	-	-		57	Renewal of Existing Assets
SRAC	Palmridge	Yes	Community	Libraries		188	188	188	-	-		58	Renewal of Existing Assets
SRAC	Duizua	Yes	Community	Libraries		188	188	188	-	-		87	Renewal of Existing Assets
SRAC	Waville	Yes	Community	Libraries		188	188	188	-	-		30	Renewal of Existing Assets
SRAC	Dundar	Yes	Community	Libraries		188	188	188	-	-		98	Renewal of Existing Assets
SRAC	H P Mokoka	Yes	Community	Libraries		188	188	188	-	-		68	Renewal of Existing Assets
SRAC	Jerry Moloi	Yes	Community	Libraries		188	188	188	-	-		66	Renewal of Existing Assets
SRAC	Springs	Yes	Community	Libraries		188	188	188	-	-		75	Renewal of Existing Assets
SRAC	Bakerton	Yes	Community	Libraries		188	188	188	-	-		72	Renewal of Existing Assets
SRAC	Upgrade of Alra Park Library	Yes	Community	Libraries		3,000	-	-	-	3,000	88		Renewal of Existing Assets
SRAC	Rehabilitation of the Boksburg stadium	Yes	Community	Sportsfields		679	679	-	-	-	-	43	New
SRAC	Upgrade Tembisa Library	Yes	Community	Libraries		9,900	1,900	8,000	-	-	2		New
SRAC	Upgrade: Art Centres	Yes	Community	Museums & Art Galleries		8,450	950	2,000	2,000		3,500		Renewal of Existing Assets
SRAC	Upgrade: Construction of Memorial Sites	Yes	Community	Museums & Art Galleries		3,410	1,710	1,700	-	-	9,75		Renewal of Existing Assets
SRAC	Upgrade: Recreation Facilities	Yes	Community	Recreational Facilities		8,000	-	1,000	3,000	-	4,000		Renewal of Existing Assets
SRAC	Upgrading and completion Makhulong stadium	Yes	Community	Sportsfields		2,000	-	-	-	2,000		5	Renewal of Existing Assets
SRAC	Re-mobilise - 60 eco gyms established	Yes	Community	Recreational Facilities		8,000	-	8,000	-	-	All wards		New
SRAC	Re-mobilise - Refurbishment of 50 Community Facilities completed	Yes	Community	Community Halls		50,000	-	50,000	-	-	All wards		Renewal of Existing Assets
SRAC	Construction of a Zonkizwe Multi-purpose center	Yes	Community	Community Halls		36,000	-	16,000	20,000	-		101	New
SRAC	Construction of a new swimming pool in Duizua	Yes	Community	Recreational Facilities		19,000	-	4,000	15,000	-	-	86	New
SRAC	Construction of a new swimming pool in Eden Park	Yes	Community	Recreational Facilities		17,461	2,461	15,000	-	-	58		New
SRAC	Construction of New Library: Tsakane	Yes	Community	Libraries		16,885	7,885	9,000	-	-	85		New
SRAC	Construction: New Library Elwathia	Yes	Community	Libraries		19,911	-	-	8,911	11,000	-	26	New
SRAC	Germiston Theatre	Yes	Community	Museums & Art Galleries		52,100	17,100	35,000	-	-	36		Renewal of Existing Assets
SRAC	Renhabilitation of Thami Myale Cultural Park	Yes	Community	Museums & Art Galleries		2,710	1,710	1,000	-	-	9		New
Transport	Construction of intermodal facilities: Upgrading Germiston Station	Yes	Infrastructure	Car Parks, Bus Terminals and Taxi Ranks		110,000	-	40,000	40,000	30,000		93	Renewal of Existing Assets
Transport	Construction of MVRADLTC Kwatsadzuza	Yes	Infrastructure	Car Parks, Bus Terminals and Taxi Ranks		25,000	-	-	2,000	23,000	Multi Wards		New
Transport	Construction of MVRADLTC Tembisa	Yes	Infrastructure	Car Parks, Bus Terminals and Taxi Ranks		50,700	1,900	10,000	21,800	17,000	4		New
Transport	Construction of public transport facilities	Yes	Infrastructure	Car Parks, Bus Terminals and Taxi Ranks		20,000	-	2,000	18,000	-	-	24	New
Transport	Drive Trim Germiston	Yes	Infrastructure	Car Parks, Bus Terminals and Taxi Ranks		2,000	-	-	-	2,000	36		New
Transport	Establish MVRADLTC Kaledong	Yes	Infrastructure	Car Parks, Bus Terminals and Taxi Ranks		53,250	14,250	39,000	-	-	55		New
Transport	Establishment of new MVRPA and Transport Offices (Kempson Park)	Yes	Infrastructure	Car Parks, Bus Terminals and Taxi Ranks		2,000	-	-	-	2,000		26	New
Transport	Integrated Rapid Public Transport Network(IRPTN)	Yes	Infrastructure	Roads, Pavements, Bridges & Stormwater		1,525,942	275,713	309,296	404,389	536,544	2-18; 22; 23; 28; 29		New
Transport	Refurbish All Metro Licensing Premises	Yes	Infrastructure	Car Parks, Bus Terminals and Taxi Ranks		13,858	2,258	1,600	5,000	5,000	5,000		Renewal of Existing Assets
Transport	Refurbishment of Public Transport Facilities	Yes	Infrastructure	Car Parks, Bus Terminals and Taxi Ranks		12,163	2,163	5,000	5,000	-	Multi Wards		Renewal of Existing Assets
Transport	Bluegumview Taxi Rank	Yes	Infrastructure	Car Parks, Bus Terminals and Taxi Ranks		16,500	9,500	7,000	-	-	86		New
Transport	Integrated Rapid Public Transport Network(IRPTN)	Yes	Infrastructure	Roads, Pavements, Bridges & Stormwater		1,039,879	200,831	259,048	280,000	300,000	2-18; 22; 23; 28; 29		New
Transport	Phuthaditjaba Taxi Rank (Tokoza)	Yes	Infrastructure	Car Parks, Bus Terminals and Taxi Ranks		17,500	9,500	8,000	-	-	58		New
Transport	New Vosloorus Hospital Taxi Rank	Yes	Infrastructure	Car Parks, Bus Terminals and Taxi Ranks		17,100	17,100	-	-	-	45		New
Transport	Palm Ridge Taxi Rank	Yes	Infrastructure	Car Parks, Bus Terminals and Taxi Ranks		7,910	7,910	-	-	-	61		New
Transport	Ramaphosa Taxi Rank	Yes	Infrastructure	Car Parks, Bus Terminals and Taxi Ranks		165	165	-	-	-	42		New
Waste Management	Air space development	Yes	Infrastructure	Refuse sites		55,600	-	600	25,000	30,000	-	1	Renewal of Existing Assets
Waste Management	Cell Development - Rustfontein	Yes	Infrastructure	Refuse sites		7,754	7,754	-	-	-	76		Renewal of Existing Assets

EKU Ekurhuleni Metro - Supporting Table SA36 Detailed capital budget												
Municipal Vote/Capital project	Program/Project description	Individually Approved (Yes/No)	Asset Class	Asset Sub-Class	GPS co-ordinates	Total Project Estimate	Prior year outcomes	2015/16 Medium Term Revenue & Expenditure Framework			Project Information	
R thousand		6	3	3	5		Current Year 2014/15	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18	Ward location	New or renewal
Waste Management	Cell development - Platkop	Yes	Infrastructure	Refuse sites		3,800	3,800	-	-	-	64	Renewal of Existing Assets
Waste Management	Develop Simmer & Jack Waste site	Yes	Infrastructure	Refuse sites		38,070	570	2,500	21,500	13,500	36	Renewal of Existing Assets
Waste Management	Development of the public offloading facilities/recycling	Yes	Infrastructure	Refuse sites		83,900	17,100	16,800	25,000	25,000	Multi Wards	Renewal of Existing Assets
Waste Management	Design of New Sites	Yes	Infrastructure	Refuse sites		13,200	-	13,200	-	-	Multi Wards	Renewal of Existing Assets
Waste Management	Development Weltevreden Waste Site	Yes	Infrastructure	Refuse sites		5,080	-	5,080	-	-	97	Renewal of Existing Assets
Waste Management	Facilities, Upgrade and construction of facilities	Yes	Infrastructure	Refuse sites		124,407	3,407	-	61,000	60,000	Multi Wards	Renewal of Existing Assets
Waste Management	Facilities, Upgrade and construction of facilities: Kempton Park	Yes	Infrastructure	Refuse sites		9,100	-	9,100	-	-	16	Renewal of Existing Assets
Waste Management	Facilities, Upgrade and construction of facilities: Boksburg	Yes	Infrastructure	Refuse sites		10,000	-	10,000	-	-	32	Renewal of Existing Assets
Waste Management	Facilities, Upgrade and construction of facilities: Germiston	Yes	Infrastructure	Refuse sites		10,000	-	10,000	-	-	36	Renewal of Existing Assets
Waste Management	Installation Gas Flares & Wells	Yes	Infrastructure	Refuse sites		3,900	1,900	2,000	-	-	97,99,76,36	Renewal of Existing Assets
Waste Management	Stormwater and Leachate Management System at Weltevreden	Yes	Infrastructure	Refuse sites		4,826	4,826	-	-	-	All wards	Renewal of Existing Assets
Waste Management	Upgrading of public offloading areas/recycling facilities	Yes	Infrastructure	Refuse sites		903	903	-	-	-	Multi Wards	Renewal of Existing Assets
Waste Management	Supply of Bulk Containers	Yes	Infrastructure	Refuse sites		16,288	4,288	4,500	3,000	4,500	Multi Wards	Renewal of Existing Assets
Waste Management	Supply of recycling bins	Yes	Infrastructure	Refuse sites		13,463	4,275	1,688	3,000	4,500	8, 17, 32, 35, 37, 73	Renewal of Existing Assets
Waste Management	Supply of recycling bins Germiston	Yes	Infrastructure	Refuse sites		1,125	-	1,125	-	-	17,35	Renewal of Existing Assets
Waste Management	Supply of recycling bins Springs	Yes	Infrastructure	Refuse sites		563	-	563	-	-	75	Renewal of Existing Assets
Waste Management	Supply of recycling bins Tembisa 1	Yes	Infrastructure	Refuse sites		563	-	563	-	-	8	Renewal of Existing Assets
Waste Management	Supply of recycling bins Tembisa 2	Yes	Infrastructure	Refuse sites		563	-	563	-	-	89	Renewal of Existing Assets
Water & Sanitation	Mayfield Ext 1	Yes	Infrastructure	Sewerage Purification & Reticulation		18,000	-	18,000	-	-	60,66	New
Water & Sanitation	Etawahwa Ext 34,35&36 Essential	Yes	Infrastructure	Sewerage Purification & Reticulation		2,600	-	2,600	-	-	62,63,87	New
Water & Sanitation	Masegaba Essential	Yes	Infrastructure	Sewerage Purification & Reticulation		3,000	-	3,000	-	-	88	New
Water & Sanitation	Xhosa And Zulu Pumpstation	Yes	Infrastructure	Sewerage Purification & Reticulation		25,000	-	25,000	-	-	82,83,85	New
Water & Sanitation	Lillianfontein Outfall Sewer	Yes	Infrastructure	Sewerage Purification & Reticulation		3,000	-	3,000	-	-	34,42	New
Water & Sanitation	Etawahwa Booster pumpstation	Yes	Infrastructure	Sewerage Purification & Reticulation		20,000	-	20,000	-	-	67	New
Water & Sanitation	Wegedacht/Paynville	Yes	Infrastructure	Sewerage Purification & Reticulation		14,000	-	14,000	-	-	72,75	New
Water & Sanitation	RAND WATER TO PALM RIDGE	Yes	Infrastructure	Water Reticulation		10,000	-	10,000	-	-	53, 58, 61, 101	New
Water & Sanitation	33ML RESERVOIR	Yes	Infrastructure	Water Reticulation		10,000	-	10,000	-	-	58	New
Water & Sanitation	NEW HOUSING ESSENTIAL	Yes	Infrastructure	Sewerage Purification & Reticulation		10,000	-	10,000	-	-	61	New
Water & Sanitation	Zulu Xhosa reservoir	Yes	Infrastructure	Sewerage Purification & Reticulation		28,000	-	19,000	9,000	-	82,83,85	New
Water & Sanitation	Etawahwa Ext19 Reservoir, Tower, access road and pipeline	Yes	Infrastructure	Water Reticulation		67,000	-	19,000	48,000	-	67	New
Water & Sanitation	Benoni Depot	Yes	Other Assets	Other Land and Buildings		1,500	-	1,500	-	-	28,27,65,61,30,66,72	New
Water & Sanitation	Vosloorus Depot	Yes	Other Assets	Other Land and Buildings		1,500	-	1,500	-	-	44,61,95,64,60	New
Water & Sanitation	Tembisa Depot	Yes	Other Assets	Other Land and Buildings		1,500	-	1,500	-	-	Multi Wards	New
Water & Sanitation	Tembisa Sewer	Yes	Infrastructure	Sewerage Purification & Reticulation		13,000	-	13,000	-	-	Multi Wards	New
Water & Sanitation	Alberton Depot	Yes	Other Assets	Other Land and Buildings		1,500	-	1,500	-	-	37,59,40,51,52,57,58	New
Water & Sanitation	Kempton Park Depot	Yes	Other Assets	Other Land and Buildings		1,500	-	1,500	-	-	Multi Wards	New
Water & Sanitation	Germiston Depot	Yes	Other Assets	Other Land and Buildings		1,500	-	1,500	-	-	21,34,35,22	New
Water & Sanitation	Brakpan Depot	Yes	Other Assets	Other Land and Buildings		1,500	-	1,500	-	-	71,74,72,75,80,97	New
Water & Sanitation	Nigel Depot	Yes	Other Assets	Other Land and Buildings		1,500	-	1,500	-	-	Multi Wards	New
Water & Sanitation	Etawahwa Sewer Upgrades	Yes	Infrastructure	Sewerage Purification & Reticulation		63,000	-	13,000	20,000	30,000	Multi Wards	Renewal of Existing Assets
Water & Sanitation	Alberton: Install new OF Hunterfield	Yes	Infrastructure	Sewerage Purification & Reticulation		5,785	285	500	5,000	-	40	Renewal of Existing Assets
Water & Sanitation	Germiston: Elimination of Klippoortje's pump s	Yes	Infrastructure	Sewerage Purification & Reticulation		5,225	5,225	-	-	-	39	Renewal of Existing Assets
Water & Sanitation	Llanganville: Upgrade water and sewer network	Yes	Infrastructure	Water Reticulation		475	-	-	-	-	81	New
Water & Sanitation	Lillianfontein Outfall sewer (H281) count	Yes	Infrastructure	Sewerage Purification & Reticulation		1,900	1,900	-	-	-	Multi Wards	Renewal of Existing Assets
Water & Sanitation	South Eastern Outfall Sewer - Springs	Yes	Infrastructure	Sewerage Purification & Reticulation		475	-	-	-	-	76	Renewal of Existing Assets

EKU Ekurhuleni Metro - Supporting Table SA36 Detailed capital budget												
Municipal Vote/Capital project	Program/Project description	Individually Approved (Yes/No)	Asset Class	Asset Sub-Class	GPS co-ordinates	Total Project Estimate	Prior year outcomes Current Year	2015/16 Medium Term Revenue & Expenditure Framework			Project Information	
								Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18	Ward location	New or renewal
R thousand	Water & Sanitation	Yes	Infrastructure	Sewerage Purification & Reticulation	5	475	475	-	-	-	Multi Wards	Renewal of Existing Assets
	Water and Sewer Retic. Welgedacht	Yes	Infrastructure	Water Reticulation		1,900	1,900	-	-	67	Renewal of Existing Assets	
	Building New and Upgrade Depot Buildings	Yes	Infrastructure	Sewerage Purification & Reticulation		23,225	5,225	8,000	10,000	-	All wards	Renewal of Existing Assets
	Edenvale: Ilondale Outfall sewer	Yes	Infrastructure	Sewerage Purification & Reticulation		25,190	190	15,000	10,000	-	18	Renewal of Existing Assets
	Brakpan: Replace outfall sewer Casselale	Yes	Infrastructure	Sewerage Purification & Reticulation		363	363	-	-	76	Renewal of Existing Assets	
	Construct new r60 pumpst. Dalpark X13	Yes	Infrastructure	Sewerage Purification & Reticulation		285	285	-	-	31	Renewal of Existing Assets	
	Etwatwa Ext 35 Essential Services	Yes	Infrastructure	Sewerage Purification & Reticulation		855	855	-	-	67	Renewal of Existing Assets	
	Nigel: Upgrade/Eliminate Rockville pumpst	Yes	Infrastructure	Sewerage Purification & Reticulation		1,547	1,547	-	-	81	Renewal of Existing Assets	
	Tsakane: Provide water Tsakane x 6 and 10	Yes	Infrastructure	Water Reticulation		452	452	-	-	86	New	
	Upgrade Water Network C/F Etwatwa X19	Yes	Infrastructure	Water Reticulation		12	12	-	-	Multi Wards	New	
	Water Loss Eradication Programme	Yes	Infrastructure	Water Reticulation		109,156	109,156	-	-	All wards	New	
	Germiston: Elsborg outfall sewer (H385) (P 2&3) C/F	Yes	Infrastructure	Sewerage Purification & Reticulation		14,475	475	9,000	5,000	-	Multi Wards	Renewal of Existing Assets
	Germiston: Upgrade and replace Dekema outfall sewer	Yes	Infrastructure	Sewerage Purification & Reticulation		43,349	13,349	10,000	10,000	10,000	Multi Wards	Renewal of Existing Assets
	Pomona: Bulk supply Albertina Sisulu Corridor	Yes	Infrastructure	Sewerage Purification & Reticulation		94,100	17,100	30,000	27,000	20,000	100	New
	Pomona: New Eastern OF sewer	Yes	Infrastructure	Sewerage Purification & Reticulation		125,500	28,500	37,000	30,000	30,000	100	New
	Pre-implementation Planning - various projects	Yes	Infrastructure	Water Reticulation		2,375	2,375	-	-	-	All wards	Renewal of Existing Assets
	Replace and repair O/S Dawn Park	Yes	Infrastructure	Sewerage Purification & Reticulation		5,350	2,850	2,500	-	-	43	Renewal of Existing Assets
	Reservoir Construction	Yes	Infrastructure	Water Reticulation		25,415	5,415	-	-	20,000	Multi Wards	Renewal of Existing Assets
	Nigel water Tower	Yes	Infrastructure	Water Reticulation		6,000	-	6,000	-	-	88	Renewal of Existing Assets
	Upgrade Sewer Networks	Yes	Infrastructure	Sewerage Purification & Reticulation		35,415	5,415	-	-	30,000	Multi Wards	Renewal of Existing Assets
	Eliminate Benoni Sewer Pumpstation	Yes	Infrastructure	Sewerage Purification & Reticulation		17,000	-	7,000	10,000	-	24	Renewal of Existing Assets
	Upgrade Water Networks	Yes	Infrastructure	Water Reticulation		84,137	44,137	-	20,000	20,000	Multi Wards	Renewal of Existing Assets
	NIGEL BULK WATER UPGRADE	Yes	Infrastructure	Water Reticulation		10,000	-	10,000	-	-	88	Renewal of Existing Assets
	Etwatwa BULK WATER UPGRADE	Yes	Infrastructure	Water Reticulation		10,000	-	10,000	-	-	67	Renewal of Existing Assets
	Human Settlements Essential Services	Yes	Infrastructure	Water Reticulation		162,225	62,225	-	100,000	-	Multi Wards	New
	Modderfontein 76 IR Pm 7 Ehal SVC C/F	Yes	Infrastructure	Sewerage Purification & Reticulation		19,970	570	7,000	12,400	-	71	Renewal of Existing Assets
Palm Ridge Phases 5 & 6 Bulk & Essential Services	Yes	Infrastructure	Sewerage Purification & Reticulation	78,777	38,777	-	20,000	20,000	61	New		
Upgrade Outfall Sewers in Vosloorus C/F	Yes	Infrastructure	Sewerage Purification & Reticulation	20,785	285	9,000	11,500	-	Multi Wards	Renewal of Existing Assets		
Construction of Dawn Park Outfall Sewer	Yes	Infrastructure	Sewerage Purification & Reticulation	3,000	-	3,000	-	-	42	Renewal of Existing Assets		
Water Loss Eradication Programme	Yes	Infrastructure	Water Reticulation	658,344	71,344	137,000	130,000	320,000	All wards	New		
Telemetry	Yes	Infrastructure	Water Reticulation	8,000	-	8,000	-	-	Multi Wards	Renewal of Existing Assets		
Water and Sanitation: Emergency services to informal settlement	Yes	Infrastructure	Water Reticulation	28,550	8,550	-	20,000	-	Multi Wards	New		
Parent Capital expenditure						18,232,439	3,620,402	4,471,563	4,998,028	5,182,445		

Table 98 MBRR SA37 - Projects delayed from previous financial year

Eku Ekurhuleni Metro - Supporting Table SA37 Projects delayed from previous financial year/s		2015/16 Medium Term Revenue & Expenditure Framework			
Municipal Vote/Capital project	Project name	Asset Class 3	Asset Sub-Class 3	Current Year 2014/15	
				Original Budget	Full Year Forecast
R thousand				2015/16	Budget Year +2 2017/18
Customer Relations Management	CCA Brownfields Upgrades	Other Assets	Other Land and Buildings	10,510	8,000
Customer Relations Management	Daveyton Building Upgrade	Other Assets	Other Land and Buildings	10,122	5,000
Customer Relations Management	Tembisa 2/ Winnie Mandela New Building	Other Assets	Other Land and Buildings	18,000	4,000
Disaster & Emergency Management Services	Establish Radio Technical Workshop	Other Assets	Other Land and Buildings	1,000	1,500
Disaster & Emergency Management Services	Furnished BeSAFE Centre	Other Assets	Other Land and Buildings	800	2,400
Disaster & Emergency Management Services	Upgrading of Commercial Fire Station	Other Assets	Other Land and Buildings	600	600
Disaster & Emergency Management Services	Upgrading of Primrose Fire Station	Other Assets	Other Land and Buildings	600	600
Disaster & Emergency Management Services	Const Fire Station/House Kwa-Thema	Other Assets	Other Land and Buildings	11,300	11,000
Economic Development	Trading Stalls	Infrastructure	Other	5,000	6,000
ENMPD	Refurbishment Brakpan Pound office	Other Assets	Other Land and Buildings	1,000	1,000
ENMPD	Refurbishment Logistics section	Other Assets	Other Land and Buildings	3,000	3,000
ENMPD	Refurbishment of EMPD Headquarters	Other Assets	Other Land and Buildings	3,000	1,000
ENMPD	Refurbishment Tembisa regional office	Other Assets	Other Land and Buildings	2,000	2,000
ENMPD	Const Precinct Stations Tokoza	Other Assets	Other Land and Buildings	8,500	3,800
Health & Social Development	Training Unit for Nurses	Other Assets	Other Land and Buildings	5,850	400
Health & Social Development	VILLA LIZA Clinic	Community	Clinic	13,050	4,000
Human Settlements	Refurbishment of Rental Property	Infrastructure	Housing	37,212	37,212
ICT	Migration to Next Generation Network	Infrastructure	Other	30,000	12,900
Real Estate	Upgrade and renewal of buildings around EMM	Other Assets	Other Land and Buildings	5,000	10,000
Roads and Stormwater	Kraai-Barbara Road Intersection Upgrade	Infrastructure	Roads, Pavements, Bridges & Stormwater	1,000	6,000
Roads and Stormwater	N3, Construction of pedestrian bridge between Mapleton & Vosloorus	Infrastructure	Roads, Pavements, Bridges & Stormwater	559	14,600
Roads and Stormwater	Tertiary Roads in Tokoza- Phase 3	Infrastructure	Roads, Pavements, Bridges & Stormwater	3,500	3,500
Roads and Stormwater	Tertiary Roads in Vosloorus- Phase 3	Infrastructure	Roads, Pavements, Bridges & Stormwater	17,600	3,600
Roads and Stormwater	Upgrade Joe Mzamane Road Kwa-Thema	Infrastructure	Roads, Pavements, Bridges & Stormwater	100	10,000
Roads and Stormwater	Etwatwa Stormwater	Infrastructure	Roads, Pavements, Bridges & Stormwater	3,000	5,000
SRAC	Construction: New Library: Brakpan	Community	Libraries	13,560	2,200
SRAC	Upgrade Tembisa Library	Community	Libraries	2,000	8,000
SRAC	Upgrade: Construction of Memorial Sites	Community	Museums & Art Galleries	1,800	1,700
SRAC	Construction of a new swimming pool in Eden Park	Community	Recreational Facilities	2,590	15,000
SRAC	Construction of New Library: Tsakane	Community	Libraries	8,300	9,000
SRAC	Germiston Theatre	Community	Museums & Art Galleries	18,000	35,000
SRAC	Rehabilitation of Thami Myeyle Cultural Park	Community	Museums & Art Galleries	1,800	1,000
Transport	Establish MVR/IDLTC Kaithehong	Infrastructure	Car Parks, Bus Terminals and Taxi Ranks	15,000	39,000
Transport	Bluegumview Taxi Rank	Infrastructure	Car Parks, Bus Terminals and Taxi Ranks	10,000	7,000
Transport	Phuthaditjaba Taxi Rank (Tokoza)	Infrastructure	Car Parks, Bus Terminals and Taxi Ranks	10,000	8,000
Waste Management	Installation Gas Flares & Wells	Infrastructure	Refuse sites	2,000	2,000
Water & Sanitation	Office Furniture	Infrastructure	Sewerage Purification & Retention	310	300
Water & Sanitation	Replace and repair O/S Dawn Park	Infrastructure	Sewerage Purification & Retention	3,000	2,500

2.13 Legislation compliance status

Compliance with the MFMA implementation requirements have been substantially adhered to through the following activities:

2.13.1 In year reporting

Reporting to National Treasury in electronic format was fully complied with on a monthly basis. Section 71 reporting to the Executive Mayor (within 10 working days) has progressively improved and includes monthly published financial performance on the metro's website.

2.13.2 Internship programme

The metro has been participating since 2008 actively in the Municipal Financial Management Internship Programme. The programme started with five interns undergoing training in various divisions of the Financial Services Department.

Ten interns were appointed in October 2014 for a period of 24 months ending September 2016. These interns are funded by National Treasury (NT) with a R100 000.00 per intern per annum. The Finance Department is currently paying the interns R14700.00 (accountant level) per month, which according to NT is incorrect and should be corrected. The national stipend for interns is +/-R5100pm. Training of the interns should be included in the R100 000.00 allocated for each intern. This will be rectified in the future. The training of the interns will now be funded internally.

Finance Department also appointed 10 experiential trainees (Youth) from September 2014 for a period of 12 months. The trainees are placed in all sections within the department to gain relevant experience. The trainees are currently on Municipal Finance and Administration (MFA) training for 10 months which is funded by LG Seta.

2.13.3 Budget and Treasury Office

The Budget and Treasury Office has been established in accordance with the MFMA.

2.13.4 Audit Committee

An Audit Committee has been established and is fully functional.

2.13.5 Service Delivery and Implementation Plan

Council compiled a detailed SDBIP document in 2014/15 MTREF. It has now been updated after the 2015/16 MTREF was compiled. The detailed SDBIP is reflected in MBRR Schedule SA7 of the report.

2.13.6 Annual Report

Annual report is compiled in terms of the MFMA and National Treasury requirements.

2.13.7 MFMA Training

The MFMA training module in electronic format is presented at the metro's internal centre and training is ongoing.

2.13.8 Policies

An amendment of the Municipal Property Rates Regulations as published in Government Notice 363 of 27 March 2009, was announced in Government Gazette 33016 on 12 March 2010. The ratios as prescribed in the regulations have been complied with.

2.14 Other supporting documents

Table 99 MBRR Table SA1 - Supporting detail to budgeted financial performance

EkuKuhleni Metro - Supporting Table SA1 Supporting detail to 'Budgeted Financial Performance'										
Description	2011/12	2012/13	2013/14	Current Year 2014/15				2015/16 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
R thousand										
REVENUE ITEMS:										
Property rates										
Total Property Rates	3,138,177	3,404,265	4,043,486	4,701,135	4,701,135	4,670,007	4,670,007	5,035,074	5,563,757	6,175,770
less Revenue Foregone	547,778	601,394	615,776	675,414	675,414	668,925	668,925	727,293	821,842	912,244
Net Property Rates	2,590,399	2,802,871	3,427,709	4,025,721	4,025,721	4,001,082	4,001,082	4,307,780	4,741,915	5,263,526
Service charges - electricity revenue										
Total Service charges - electricity revenue	9,086,646	9,692,978	10,358,669	11,717,499	11,718,453	11,521,965	11,521,965	13,153,808	14,709,660	16,451,415
less Revenue Foregone										
Net Service charges - electricity revenue	9,086,646	9,692,978	10,358,669	11,717,499	11,718,453	11,521,965	11,521,965	13,153,808	14,709,660	16,451,415
Service charges - water revenue										
Total Service charges - water revenue	2,322,701	2,432,626	2,925,789	3,225,161	3,225,161	3,336,087	3,336,087	3,851,981	4,237,179	4,618,523
less Revenue Foregone	269,106	282,990	349,416	357,300	357,300	357,300	357,300	414,111	455,522	496,519
Net Service charges - water revenue	2,053,595	2,149,636	2,576,373	2,867,861	2,867,861	2,978,787	2,978,787	3,437,870	3,781,657	4,122,006
Service charges - sanitation revenue										
Total Service charges - sanitation revenue	924,542	963,700	1,154,522	1,265,216	1,338,415	1,338,415	1,338,415	1,489,072	1,626,682	1,769,527
less Revenue Foregone	208,557	218,246	259,066	269,905	269,905	269,905	269,905	299,325	327,760	357,259
Net Service charges - sanitation revenue	715,985	745,454	895,456	995,311	1,068,510	1,068,510	1,068,510	1,189,748	1,298,922	1,412,268
Service charges - refuse revenue										
Total refuse removal revenue	726,039	846,321	962,652	1,231,349	1,260,029	1,222,467	1,222,467	1,364,937	1,472,877	1,589,383
Total landfill revenue	-	-	-	-	-	-	-	-	-	-
less Revenue Foregone	-	-	-	-	-	-	-	-	-	-
Net Service charges - refuse revenue	726,039	846,321	962,652	1,231,349	1,260,029	1,222,467	1,222,467	1,364,937	1,472,877	1,589,383
Other Revenue by source										
Fuel Levy	-	-	-	1,469,674	1,469,674	1,469,674	1,469,674	1,528,809	1,623,814	1,719,682
Other Revenue	105,667	138,189	97,021	64,850	66,581	65,965	65,965	78,085	82,379	86,910
Total 'Other' Revenue	105,667	138,189	97,021	1,534,524	1,536,255	1,535,639	1,535,639	1,606,894	1,706,193	1,806,592
EXPENDITURE ITEMS:										
Employee related costs										
Basic Salaries and Wages	2,576,453	3,402,492	3,743,561	3,682,067	3,564,556	3,380,756	3,380,756	4,194,271	4,501,174	4,766,144
Pension and UIF Contributions	607,591	684,222	669,968	751,135	740,942	755,546	755,546	842,764	897,544	951,397
Medical Aid Contributions	212,884	439,675	520,717	304,317	304,317	356,107	356,107	359,173	382,519	405,470
Overtime	366,826	393,765	471,338	361,678	361,678	524,509	524,509	386,723	411,860	436,571
Motor Vehicle Allowance	-	-	-	175,855	175,855	215,601	215,601	225,015	239,641	254,019
Cellphone Allowance	8,614	10,955	13,589	12,166	12,166	17,708	17,708	15,671	16,690	17,692
Housing Allowances	-	-	-	47,712	47,712	44,444	44,444	56,355	60,018	63,619
Other benefits and allowances	24,189	-	-	32,538	32,538	-	-	-	-	-
Payments in lieu of leave	87,983	-	-	160,812	160,812	-	-	-	-	-
Long service awards	73,118	61,569	46,364	17,376	17,376	-	-	18,557	19,764	20,949
Post-retirement benefit obligations	181,704	-	-	80,174	80,174	-	-	-	-	-
sub-total	4,139,363	4,992,678	5,465,538	5,625,830	5,498,126	5,294,671	5,294,671	6,098,530	6,529,210	6,915,862
Less: Employees costs capitalised to PPE	29,831	25,149	33,402	179,043	179,043	50,000	50,000	151,043	160,861	170,512
Total Employee related costs	4,109,532	4,967,529	5,432,135	5,446,788	5,339,084	5,244,671	5,244,671	5,947,487	6,368,349	6,745,350
Depreciation & asset impairment										
Depreciation of Property, Plant & Equipment	1,980,010	2,076,124	1,910,672	1,424,654	1,424,654	1,424,654	1,424,654	1,619,161	1,836,589	2,186,624
Lease amortisation	4,740	10,062	13,175	7,166	7,166	7,166	7,166	10,000	10,500	11,025
Capital asset impairment	-	41,643	55,075	-	-	-	-	-	-	-
Total Depreciation & asset impairment	1,984,750	2,127,829	1,978,922	1,431,820	1,431,820	1,431,820	1,431,820	1,629,161	1,847,089	2,197,649
Bulk purchases										
Electricity Bulk Purchases	5,991,227	6,659,752	7,039,344	7,623,482	7,623,472	7,471,532	7,471,532	8,709,055	9,928,323	11,318,288
Water Bulk Purchases	1,939,289	2,193,112	2,446,366	2,667,395	2,753,530	2,752,990	2,752,990	3,118,168	3,427,138	3,735,580
Total bulk purchases	7,930,516	8,852,864	9,485,711	10,290,877	10,377,002	10,224,522	10,224,522	11,827,223	13,355,460	15,053,868
Transfers and grants										
Cash transfers and grants	233,371	588,954	606,086	689,718	689,718	621,652	621,652	715,171	799,470	885,547
Non-cash transfers and grants	192,914	371,692	454,358	359,103	360,227	348,747	348,747	397,817	436,003	474,854
Total transfers and grants	426,285	960,645	1,060,444	1,048,821	1,049,945	970,399	970,399	1,112,987	1,235,472	1,360,401
Contracted services										
List services provided by contract	684,663	685,955	685,925	902,139	896,749	747,599	747,599	908,808	958,792	1,035,496
sub-total	684,663	685,955	685,925	902,139	896,749	747,599	747,599	908,808	958,792	1,035,496
Allocations to organs of state:										
Total contracted services	684,663	685,955	685,925	902,139	896,749	747,599	747,599	908,808	958,792	1,035,496

EKURHULENI METROPOLITAN MUNICIPALITY – FINAL BUDGET 2015/16 TO 2017/18

EKU Ekurhuleni Metro - Supporting Table SA1 Supporting detail to 'Budgeted Financial Performance'										
Description	2011/12	2012/13	2013/14	Current Year 2014/15				2015/16 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
R thousand										
Other Expenditure By Type										
Collection costs	131,933	114,275	153,335	178,238	178,150	169,533	169,533	177,932	187,718	198,043
Contributions to 'other' provisions	–									
Consultant fees	112,056	80,287	136,591	292,381	242,034	93,403	93,403	191,849	296,149	302,427
Audit fees	14,880	19,784	18,921	19,500	19,500	24,329	24,329	21,000	22,365	23,707
General expenses	214,602	211,300	239,277	1,263,887	1,548,678	1,660,013	1,660,013	1,514,803	1,487,697	1,608,122
Rental of Equipment (2556250)	120,541	62	365	260	260	336	336	325	351	379
Vehicle - Fuel (2556775)	100,998	115,701	147,640	139,158	139,158	191,401	191,401	149,117	175,209	185,245
Service Connections (2556335+6365)	81,833	44,163	53,064	98,155	98,155	96,134	96,134	75,530	75,530	75,530
Special Events (2556400)	62,876	63,255	110,910	101,596	101,596	118,010	118,010	99,836	99,836	99,836
Telephone (2556475)	53,699	34,105	44,219	45,000	45,000	58,832	58,832	47,000	47,000	47,000
License Software (2555550)	38,250	39,763	37,428	49,627	49,627	30,022	30,022	63,665	67,166	70,860
Printing & Stationery (2555825)	30,789	35,685	37,882	45,771	45,771	56,339	56,339	38,552	40,054	40,205
Insurance Premium (2555350)	29,925	29,811	20,390	33,000	33,000	48,521	48,521	33,000	34,815	36,730
Training Claimable (2556575)	25,215	19,989	22,212	46,295	46,295	21,416	21,416	38,362	40,656	42,902
Refuse Bins Bags & Containers (2556150)	17,748	9,385	26,148	24,404	24,404	36,160	36,160	61,148	44,148	44,148
Land Invasion Relocation (2555410)	9,401	14,219	8,329	13,000	13,000	1,692	1,692	11,400	12,027	12,688
Community Development Projects (2555075)	1,545	2,291	5,340	20,590	20,590	23,045	23,045	36,107	36,107	36,107
Uniforms & Protective Clothing (2555950)	20,636	26,516	33,969	43,014	43,014	31,923	31,923	50,279	53,989	56,999
Hire of Vehicles (2556800)	6,515	1,140	285	9,061	9,061	2,429	2,429	8,659	9,136	9,638
Postage (2556525)	18,726	19,306	21,620	39,344	39,344	28,655	28,655	36,406	36,406	36,406
Rental of Buildings & Facilities (2556225)	14,268	19,960	15,540	15,794	15,794	22,274	22,274	17,447	18,843	20,350
Community Based Programmes (2556450)	42,998	32,488	30,229	110,000	110,000	101,955	101,955	110,500	110,500	110,500
General Consumables (2555725)	21,078	22,139	28,703	20,457	20,457	26,746	26,746	19,842	21,542	21,692
Software Development (2555875)	6,236	2,241	738	13,773	13,773	773	773	18,730	18,730	18,730
Membership Fees (2555975)	9,704	11,105	12,029	12,969	12,969	1,446	1,446	14,141	14,141	14,141
Network Extensions (25505990+5996)	10,923	10,996	12,191	19,799	19,799	13,723	13,723	18,352	18,352	18,352
Rehabilitation Landfill Sites (2556125)	–	–	–	–	–	–	–	–	–	–
Total 'Other' Expenditure	1,197,375	979,969	1,217,356	2,655,071	2,889,428	2,859,111	2,859,111	2,853,982	2,968,466	3,130,738
Repairs and Maintenance by Expenditure Item										
Employee related costs	–	667,910	665,518	725,195	725,195	687,089	687,089	773,950	824,257	873,712
Other materials	1,737,189	504,136	670,765	1,630,019	1,754,380	1,658,262	1,658,262	1,945,665	2,186,216	2,399,526
Contracted Services	–	–	–							
Other Expenditure	–	–	–							
Total Repairs and Maintenance Expenditure	1,737,189	1,172,046	1,336,283	2,355,214	2,479,575	2,345,351	2,345,351	2,719,615	3,010,473	3,273,238

Table 100 MBRR Table SA2 – Matrix financial performance budget (revenue source/expenditure type and department)

EKU Ekurhuleni Metro - Supporting Table SA2 Matrix Financial Performance Budget (revenue source/expenditure type and dept.)																
Description	Vote 1 - Executive and Council	Vote 2 - Finance and Corporate Services	Vote 3 - Energy	Vote 4 - Water and Sanitation	Vote 5 - Waste Management	Vote 6 - Human Settlements	Vote 7 - City Planning	Vote 8 - Economic Development	Vote 9 - Disaster and Emergency Management	Vote 10 - Sport, Recreation, Arts & Development	Vote 11 - Health and Social Development	Vote 12 - Environmental Resource Management	Vote 13 - Ekurhuleni Metropolitan Police	Vote 14 - Transport	Vote 15 - Roads and Stormwater	Total
Revenue By Source																
Property rates	-	4,307,780	-	-	-	-	-	-	-	-	-	-	-	-	-	4,307,780
Property rates - penalties & collection charges	-	113,348	-	-	-	-	-	-	-	-	-	-	-	-	-	113,348
Service charges - electricity revenue	-	-	13,153,808	-	-	-	-	-	-	-	-	-	-	-	-	13,153,808
Service charges - water revenue	-	-	-	3,437,870	-	-	-	-	-	-	-	-	-	-	-	3,437,870
Service charges - sanitation revenue	-	-	-	1,189,748	-	-	-	-	-	-	-	-	-	-	-	1,189,748
Service charges - refuse revenue	-	-	-	-	1,364,937	-	-	-	-	-	-	-	-	-	-	1,364,937
Service charges - other	-	-	-	-	-	-	-	21,072	14,804	176	-	28,715	-	19,529	1,908	86,204
Rental of facilities and equipment	-	16,084	-	-	-	40,737	-	1,970	0	8,550	-	664	-	-	53	68,058
Interest earned - external investments	-	313,000	-	-	-	4,000	-	85	-	-	-	-	-	-	-	317,085
Interest earned - outstanding debtors	-	22,380	50,000	160,000	40,000	-	-	-	-	-	-	-	-	-	-	272,380
Dividends received	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fines	-	153,568	6,779	157	-	-	-	-	-	591	-	-	105,980	-	-	267,074
Licences and permits	-	12,808	-	-	-	-	35,280	-	5,652	-	465	-	-	0	-	54,205
Agency services	-	-	-	-	-	-	-	-	-	-	-	-	-	274,014	-	274,014
Other revenue	-	1,542,718	15,968	4,303	-	-	3,197	3	936	889	3,624	2,190	980	8,757	23,330	1,606,894
Transfers recognised - operational	-	572,348	344,677	1,185,767	350,968	116,158	43,194	13,932	143,250	6,654	129,486	-	-	30,000	-	2,936,434
Gains on disposal of PPE	-	5,000	-	-	-	-	-	-	-	-	-	-	-	-	-	5,000
Total Revenue (excluding capital transfers and contributions)	-	7,059,034	13,371,231	5,977,844	1,755,906	160,895	81,672	37,062	164,643	16,839	133,575	31,569	106,960	332,299	25,290	29,454,839
Expenditure By Type																
Employee related costs	140,313	1,616,529	164,180	61,536	363,794	90,163	160,515	82,058	612,890	402,861	694,244	445,099	799,603	255,256	58,446	5,947,487
Remuneration of councillors	103,849	-	-	-	-	-	-	-	-	-	-	-	-	-	-	103,849
Debt impairment	-	437,882	777,776	149,771	67,966	2,167	-	-	-	-	-	-	-	-	-	1,435,562
Depreciation & asset impairment	(1,615)	125,435	382,076	114,071	40,475	53,207	451	4,418	21,302	107,299	30,625	25,816	-	-	725,601	1,629,161
Finance charges	-	234,212	188,104	63,007	77,613	150,789	-	-	-	-	49,473	-	-	-	-	763,197
Bulk purchases	-	-	8,709,055	3,118,168	-	-	-	-	-	-	-	-	-	-	-	11,827,223
Other materials	326	266,620	935,019	571,751	104,944	34,391	22,922	4,859	34,547	41,050	9,402	72,822	26,386	39,194	555,383	2,719,615
Contracted services	1,302	164,134	162,137	42,940	267,457	-	374	750	575	2,488	3,002	70,443	180,557	11,950	700	908,888
Transfers and grants	5,000	535,128	255,903	105,671	177,885	3,500	-	26,000	-	-	3,900	-	-	-	-	1,112,987
Other expenditure	64,667	(431,839)	1,264,753	673,866	418,737	242,655	61,288	96,169	81,272	72,273	80,131	52,020	78,180	73,338	26,472	2,853,982
Loss on disposal of PPE	-	15,000	-	-	-	-	-	-	-	-	-	-	-	-	-	15,000
Total Expenditure	318,842	2,963,100	12,839,003	4,900,781	1,518,870	576,871	245,350	214,254	750,386	625,970	870,776	666,200	1,084,727	379,738	1,366,602	29,321,872
Surplus/(Deficit)	(318,842)	4,095,934	732,229	1,077,063	237,035	(415,977)	(163,679)	(177,192)	(585,944)	(609,111)	(737,201)	(634,632)	(977,767)	(47,438)	(1,341,312)	132,967
Transfers recognised - capital	-	-	285,000	190,600	-	578,212	-	-	29,350	21,000	83,600	22,300	11,800	583,344	170,150	1,975,556
Contributions recognised - capital	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Contributed assets	-	-	-	(130,000)	-	-	-	-	-	-	-	-	-	-	-	(130,000)
Surplus/(Deficit) after capital transfers & contributions	(318,842)	4,095,934	1,077,229	1,137,663	237,035	162,235	(163,679)	(177,192)	(556,594)	(588,111)	(653,601)	(612,132)	(965,967)	535,905	(1,171,162)	1,976,523

Table 101 MBRR Table SA3 – Supporting detail to Statement of Financial Position

EKU Ekurhuleni Metro - Supporting Table SA3 Supporting detail to 'Budgeted Financial Position'										
Description	2011/12	2012/13	2013/14	Current Year 2014/15				2015/16 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
R thousand										
ASSETS										
<u>Call investment deposits</u>										
Call deposits < 90 days	–									
Other current investments > 90 days	21,285	22,771	143,070	22,771	22,771	143,070	143,070	143,070	143,070	143,070
Total Call investment deposits	21,285	22,771	143,070	22,771	22,771	143,070	143,070	143,070	143,070	143,070
<u>Consumer debtors</u>										
Consumer debtors	9,149,377	10,594,597	12,831,564	12,029,985	12,029,985	12,829,985	12,829,985	14,313,439	15,912,618	17,636,751
<u>Less: Provision for debt impairment</u>	<u>(6,141,243)</u>	<u>(7,042,114)</u>	<u>(8,371,490)</u>	<u>(9,355,950)</u>	<u>(9,355,950)</u>	<u>(8,355,950)</u>	<u>(8,355,950)</u>	<u>(9,791,513)</u>	<u>(11,304,593)</u>	<u>(12,981,788)</u>
Total Consumer debtors	3,008,134	3,552,483	4,460,073	2,674,035	2,674,035	4,474,035	4,474,035	4,521,926	4,608,024	4,654,964
<u>Debt impairment provision</u>										
Balance at the beginning of the year	7,756,989	6,141,243	7,042,114	8,125,746	8,125,746	6,911,659	6,911,659	8,355,950	9,797,253	11,353,860
Contributions to the provision	1,442,008	914,944	1,335,385	1,230,204	1,230,204	1,444,292	1,444,292	1,435,562	1,507,341	1,627,928
Bad debts written off	(3,057,753)	(14,073)	(6,009)							
Balance at end of year	6,141,243	7,042,114	8,371,490	9,355,950	9,355,950	8,355,950	8,355,950	9,791,513	11,304,593	12,981,788
<u>Property, plant and equipment (PPE)</u>										
PPE at cost/valuation (excl. finance leases)	51,007,087	53,271,239	55,781,408	61,160,167	61,180,751	54,160,167	54,160,167	58,533,740	63,491,798	68,684,744
Leases recognised as PPE	–									
<u>Less: Accumulated depreciation</u>	<u>8,328,664</u>	<u>10,059,755</u>	<u>11,993,062</u>	<u>11,554,913</u>	<u>11,554,913</u>	<u>10,554,913</u>	<u>10,554,913</u>	<u>12,184,074</u>	<u>14,031,163</u>	<u>16,239,231</u>
Total Property, plant and equipment (PPE)	42,678,424	43,211,484	43,788,346	49,605,254	49,625,837	43,605,254	43,605,254	46,349,666	49,460,636	52,445,514
LIABILITIES										
<u>Current liabilities - Borrowing</u>										
Short term loans (other than bank overdraft)										
Current portion of long-term liabilities	182,305	629,421	267,666	222,087	222,087	222,087	222,087	267,666	286,075	306,507
Total Current liabilities - Borrowing	182,305	629,421	267,666	222,087	222,087	222,087	222,087	267,666	286,075	306,507
<u>Trade and other payables</u>										
Trade and other creditors	3,613,203	4,376,297	4,982,055	3,703,075	3,703,075	4,953,075	4,953,075	4,960,804	4,969,403	4,978,950
Unspent conditional transfers	99,676	232,407	370,603	–	–	–	–	–	–	–
VAT	–									
Total Trade and other payables	3,712,879	4,608,704	5,352,657	3,703,075	3,703,075	4,953,075	4,953,075	4,960,804	4,969,403	4,978,950
<u>Non current liabilities - Borrowing</u>										
Borrowing	4,333,206	4,503,777	5,021,111	6,252,384	6,252,384	4,852,384	4,852,384	5,745,802	7,603,619	9,288,279
Finance leases (including PPP asset element)	–									
Total Non current liabilities - Borrowing	4,333,206	4,503,777	5,021,111	6,252,384	6,252,384	4,852,384	4,852,384	5,745,802	7,603,619	9,288,279
<u>Provisions - non-current</u>										
Retirement benefits	1,502,271	1,765,075	1,967,932	1,712,368	1,712,368	1,712,368	1,712,368	1,834,978	1,965,814	2,105,430
<u>List other major provision items</u>										
Refuse landfill site rehabilitation	–									
Other	649,199	755,121	862,015	913,399	913,399	913,399	913,399	1,000,409	1,093,257	1,192,336
Total Provisions - non-current	2,151,470	2,520,196	2,829,947	2,625,767	2,625,767	2,625,767	2,625,767	2,835,387	3,059,072	3,297,766
CHANGES IN NET ASSETS										
<u>Accumulated Surplus/(Deficit)</u>										
Accumulated Surplus/(Deficit) - opening balance	38,275,480	38,138,744	38,799,732	41,775,085	41,775,084	37,414,139	37,414,139	39,709,695	41,332,487	43,191,911
GRAP adjustments	(432,899)									
Restated balance	37,842,581	38,138,744	38,799,732	41,775,085	41,775,084	37,414,139	37,414,139	39,709,695	41,332,487	43,191,911
Surplus/(Deficit)	738,563	982,818	1,856,415	2,006,064	2,046,647	2,610,087	2,610,087	1,978,523	2,208,690	2,387,632
Appropriations to Reserves	–	(120,000)		(113,000)	(113,000)					
Transfers from Reserves	1,084,374			619,392	619,392					
Depreciation offsets	(1,084,374)			(619,392)	(619,392)					
Other adjustments	–									
Accumulated Surplus/(Deficit)	38,581,145	39,001,562	40,656,147	43,668,149	43,708,731	40,024,226	40,024,226	41,688,217	43,541,177	45,579,543
<u>Reserves</u>										
Housing Development Fund										
Capital replacement		803,186	1,005,015	1,046,186	1,046,186	1,046,186	1,046,186	1,193,186	1,343,186	1,593,186
Self-insurance										
Other reserves										
Revaluation										
Total Reserves	–	803,186	1,005,015	1,046,186	1,046,186	1,046,186	1,046,186	1,193,186	1,343,186	1,593,186
TOTAL COMMUNITY WEALTH/EQUITY	38,581,145	39,804,748	41,661,162	44,714,335	44,754,917	41,070,412	41,070,412	42,881,403	44,884,363	47,172,729

Table 102 MBRR Table SA9 – Social, economic and demographic statistics and assumptions

EKU Ekurhuleni Metro - Supporting Table SA9 Social, economic and demographic statistics and assumptions											
Description of economic indicator	Basis of calculation	2001 Census	2007 Survey	2011 Census	2011/12	2012/13	2013/14	Current Year 2014/15	2015/16 Medium Term Revenue & Expenditure Framework		
					Outcome	Outcome	Outcome	Original Budget	Outcome	Outcome	Outcome
Demographics											
	Source Of data Census 2011 interactive data in super cross	2,480	2,724	3,178	3,178	3,178	3,178	3,277	3,379	3,485	3,603
Population											
Females aged 5 - 14	3.14% growth rate	200	220	225	225	225	225	232	240	247	255
Males aged 5 - 14		196	213	230	230	230	230	237	245	252	261
Females aged 15 - 34		489	502	640	640	640	640	660	680	702	726
Males aged 15 - 34		532	536	711	711	711	711	733	756	780	807
Unemployment		332	434	456	456	456	456	470	485	500	517
Monthly household income (no. of households)											
No income	Source Of data Census 2011 interactive data in super cross	1,266	1,304	1,343	1,343	1,343	1,343	1,386	1,429	1,474	1,524
R1 - R1 600	3.14% growth rate	615	633	652	652	652	652	672	694	715	739
R1 601 - R3 200		242	250	257	257	257	257	265	273	282	292
R3 201 - R6 400		204	210	216	216	216	216	223	230	238	246
R6 401 - R12 800		163	168	173	173	173	173	179	185	190	196
R12 801 - R25 600		123	127	131	131	131	131	135	140	144	149
R25 601 - R51 200		52	53	55	55	55	55	57	59	607	628
R52 201 - R102 400		15	16	16	16	16	16	31	32	33	34
R102 401 - R204 800		5	5	5	5	5	5	5	5	6	6
R204 801 - R409 600		4	4	4	4	4	4	4	4	4	4
R409 601 - R819 200		-	-	-	-	-	-	-	-	-	-
> R819 200		-	-	-	-	-	-	-	-	-	-
Poverty profiles (no. of											
< R2 060 per household per month											
< R 2300 per household per month		502	517	533	533	533	533	549	584	603	623
Household/demographics (000)											
Number of people in municipal area		2,996	3,085	3,178	3,178	3,178	3,178	3,278	3,380	3,486	3,605
Number of poor people in municipal											
Number of households in municipal		957	985	1,015	1,015	1,015	1,015	1,047	1,080	1,114	1,152
Number of poor households in		502	517	533	533	533	533	566	584	603	623
Definition of poor household (R per month)		<=R2300 P/M	<=R2300 P/M	<=R2300 P/M	<=R2300 P/M	<=R2300 P/M	<=R2300 P/M	<=2372 P/M	<=2448 P/M	<=2524 P/M	<=2448 P/M
Housing statistics											
Formal				777	777	777	777	801	827	853	882
Informal				238	238	238	238	245	253	261	270
Total number of households		-	-	1,015	1,015	1,015	1,015	1,047	1,080	1,114	1,152
Dwellings provided by municipality											
Dwellings provided by province/s											
Dwellings provided by private sector											
Total new housing dwellings		-	-	-	-	-	-	-	-	-	-
Economic											
Inflation/inflation outlook (CPIX)					6.2%	4.8%	4.7%	5.5%	5.8%	5.5%	5.3%
Interest rate - borrowing									10.5%	10.5%	10.5%
Interest rate - investment							4.7%	5.0%	5.5%	5.5%	5.5%
Remuneration increases					15.1%	12.0%	12.0%	7.0%	6.8%	6.5%	6.3%
Consumption growth (electricity)					4.5%	0.0%	-2.5%	1.4%	0.0%	0.0%	0.0%
Consumption growth (water)					3.0%	3.0%	2.5%	-2.9%	1.6%	1.6%	1.6%
Collection rates											
Property tax/service charges					89.6%	91.8%	93.0%	93.0%	93.0%	93.0%	93.0%
Rental of facilities & equipment											
Interest - external investments											
Interest - debtors					89.6%	91.8%	93.0%	93.0%	93.0%	93.0%	93.0%
Revenue from agency services					100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

EKURHULENI METROPOLITAN MUNICIPALITY – FINAL BUDGET 2015/16 TO 2017/18

Total municipal services	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
	Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
Household service targets (000)									
<u>Water:</u>									
Piped water inside dwelling	465,881	473,800	481,855	494,882	504,196	504,196	504,196	521,339	539,065
Piped water inside yard (but not in dwelling)	-	-	-	-	176,357	176,357	176,357	182,353	188,553
Using public tap (at least min.service level)	162,414	162,414	162,414	162,414	143,716	143,716	143,716	148,602	153,655
Other water supply (at least min.service level)	2,000	2,000	2,000	2,000	2,211	2,211	2,211	2,286	2,364
<i>Minimum Service Level and Above sub-total</i>	630,295	638,214	646,269	659,296	826,481	826,481	826,481	854,581	883,637
Using public tap (< min.service level)	20,000	20,000	20,000	20,000	21,383	21,383	22,110	22,862	23,639
Other water supply (< min.service level)	-	-	-	-	-	-	-	-	-
No water supply	-	-	-	-	-	-	-	-	-
<i>Below Minimum Service Level sub-total</i>	20,000	20,000	20,000	20,000	21,383	21,383	22,110	22,862	23,639
Total number of households	630,295	638,214	646,269	679,296	847,864	847,864	848,591	877,443	907,276
<u>Sanitation/sewerage:</u>									
Flush toilet (connected to sewerage)	615,603	464,673	472,592	480,647	680,554	680,554	703,692	727,618	752,357
Flush toilet (with septic tank)	3,000	1,208	1,208	1,208	3,317	3,317	3,429	3,546	3,666
Chemical toilet	90,000	95,500	95,500	100,000	99,496	99,496	102,879	106,376	109,993
Pit toilet (ventilated)	60,000	66,914	66,914	62,414	66,330	66,330	68,586	70,918	73,329
Other toilet provisions (> min.service level)	-	-	-	-	-	-	-	-	-
<i>Minimum Service Level and Above sub-total</i>	768,603	628,295	636,214	644,269	849,696	849,696	878,586	908,458	939,345
Bucket toilet	-	-	-	-	-	-	-	-	-
Other toilet provisions (< min.service level)	-	-	-	-	-	-	-	-	-
No toilet provisions	-	-	-	-	-	-	-	-	-
<i>Below Minimum Service Level sub-total</i>	-	-	-	-	-	-	-	-	-
Total number of households	768,603	628,295	636,214	644,269	849,696	849,696	878,586	908,458	939,345
<u>Energy:</u>									
Electricity (at least min.service level)	171,994	176,994	185,000	181,300	190,141	190,141	145,000	149,350	153,831
Electricity - prepaid (min.service level)	320,000	330,000	340,000	360,000	342,707	342,707	405,000	417,150	429,665
<i>Minimum Service Level and Above sub-total</i>	491,994	506,994	525,000	541,300	532,848	532,848	550,000	566,500	583,495
Electricity (< min.service level)	-	-	-	-	-	-	-	-	-
Electricity - prepaid (< min. service level)	-	-	-	-	-	-	-	-	-
Other energy sources	-	-	-	-	-	-	27,000	47,000	67,000
<i>Below Minimum Service Level sub-total</i>	-	-	-	-	-	-	27,000	47,000	67,000
Total number of households	491,994	506,994	525,000	541,300	532,848	532,848	577,000	613,500	650,495
<u>Refuse:</u>									
Removed at least once a week	686,000	721,006	774,499	959,190	743,272	743,272	768,544	794,674	821,693
<i>Minimum Service Level and Above sub-total</i>	686,000	721,006	774,499	959,190	743,272	743,272	768,544	794,674	821,693
Removed less frequently than once a week	-	-	-	-	-	-	-	-	-
Using communal refuse dump	164,000	169,125	181,673	181,673	181,303	181,303	187,468	193,841	200,432
Using own refuse dump	-	-	-	-	-	-	-	-	-
Other rubbish disposal	-	-	-	-	-	-	-	-	-
No rubbish disposal	-	-	-	-	-	-	-	-	-
<i>Below Minimum Service Level sub-total</i>	164,000	169,125	181,673	181,673	181,303	181,303	187,468	193,841	200,432
Total number of households	850,000	890,131	956,172	1,140,863	924,576	924,576	956,011	988,516	1,022,125

EKURHULENI METROPOLITAN MUNICIPALITY – FINAL BUDGET 2015/16 TO 2017/18

Municipal in-house services	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
	Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
Household service targets (000)									
<u>Water:</u>									
Piped water inside dwelling	-	-	-	-	-	-	-	-	-
Piped water inside yard (but not in dwelling)	-	-	-	-	-	-	-	-	-
Using public tap (at least min.service level)	-	-	-	-	-	-	-	-	-
Other water supply (at least min.service level)	-	-	-	-	-	-	-	-	-
<i>Minimum Service Level and Above sub-total</i>	-	-	-	-	-	-	-	-	-
Using public tap (< min.service level)	-	-	-	-	-	-	-	-	-
Other water supply (< min.service level)	-	-	-	-	-	-	-	-	-
No water supply	-	-	-	-	-	-	-	-	-
<i>Below Minimum Service Level sub-total</i>	-	-	-	-	-	-	-	-	-
Total number of households	-	-	-	-	-	-	-	-	-
<u>Sanitation/sewerage:</u>									
Flush toilet (connected to sewerage)	-	-	-	-	-	-	-	-	-
Flush toilet (with septic tank)	-	-	-	-	-	-	-	-	-
Chemical toilet	-	-	-	-	-	-	-	-	-
Pit toilet (ventilated)	-	-	-	-	-	-	-	-	-
Other toilet provisions (> min.service level)	-	-	-	-	-	-	-	-	-
<i>Minimum Service Level and Above sub-total</i>	-	-	-	-	-	-	-	-	-
Bucket toilet	-	-	-	-	-	-	-	-	-
Other toilet provisions (< min.service level)	-	-	-	-	-	-	-	-	-
No toilet provisions	-	-	-	-	-	-	-	-	-
<i>Below Minimum Service Level sub-total</i>	-	-	-	-	-	-	-	-	-
Total number of households	-	-	-	-	-	-	-	-	-
<u>Energy:</u>									
Electricity (at least min.service level)	-	-	-	-	-	-	-	-	-
Electricity - prepaid (min.service level)	-	-	-	-	-	-	-	-	-
<i>Minimum Service Level and Above sub-total</i>	-	-	-	-	-	-	-	-	-
Electricity (< min.service level)	-	-	-	-	-	-	-	-	-
Electricity - prepaid (< min. service level)	-	-	-	-	-	-	-	-	-
Other energy sources	-	-	-	-	-	-	-	-	-
<i>Below Minimum Service Level sub-total</i>	-	-	-	-	-	-	-	-	-
Total number of households	-	-	-	-	-	-	-	-	-
<u>Refuse:</u>									
Removed at least once a week	-	-	-	-	-	-	-	-	-
<i>Minimum Service Level and Above sub-total</i>	-	-	-	-	-	-	-	-	-
Removed less frequently than once a week	-	-	-	-	-	-	-	-	-
Using communal refuse dump	-	-	-	-	-	-	-	-	-
Using own refuse dump	-	-	-	-	-	-	-	-	-
Other rubbish disposal	-	-	-	-	-	-	-	-	-
No rubbish disposal	-	-	-	-	-	-	-	-	-
<i>Below Minimum Service Level sub-total</i>	-	-	-	-	-	-	-	-	-
Total number of households	-	-	-	-	-	-	-	-	-

Table 103 MBRR SA32 – List of external mechanisms

Eku Ekurhuleni Metro - Supporting Table SA32 List of external mechanisms					
External mechanism	Yrs/ Mths	Period of agreement 1.	Service provided	Expiry date of service delivery agreement or contract	Monetary value of agreement 2.
Name of organisation		Number			R thousand

2.15 Municipal Manager's quality certificate



Ekurhuleni
METROPOLITAN MUNICIPALITY

City Manager's Quality Certificate

I KHAYA NGEMA, City Manager of Ekurhuleni Metropolitan Municipality, hereby certify that the 2015/16 annual budget and supporting documentation have been prepared in accordance with the Municipal Finance Management Act and the regulations made under the Act, and that the annual budget and supporting documents are consistent with the Integrated Development of the municipality.

Signature:  Date: 13 May 2015

Name of City Manager: KHAYA NGEMA
City Manager
Ekurhuleni Metropolitan Municipality (GT000)



City of Ekurhuleni

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Private Bag X1069, Germiston, 1400, South Africa

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Helpline: 10177